

for any partial month of occupancy. Payment may be made by personal check, money order or cashier's check, or in Owner's discretion by credit card, check card, electronic check, or by direct bank transfer, provided that Owner reserves the right to charge processing fees as appropriate for such payment methods. Cash will not be accepted. If any payment is returned unpaid, Owner may require Resident to make future payments by certified funds. Payment (including by mail) is deemed made only when actually received by Owner or its agent, subject to clearance of funds. Resident's payment obligation is a promise by Resident which is independent from all of Owner's and its agent's promises, duties and obligations. To cover Owner's added costs for late payment, each payment will be increased by **\$30** as a late charge if not received by the close of business within two calendar days after the date due and will be increased by an additional **\$5 per day** thereafter until paid in full, with a maximum late charge of \$155 for any single unpaid installment. At Owner's option and without notice to Resident, any amounts owed by Resident, including but not limited to late charges, returned check fees, utility overages, damage or replacement costs, and any amount owed by Resident to Owner under a separate agreement, will be considered Rent under the terms of this Agreement. In the event any payment is past due, Owner may take legal action for possession and payment. To cover Owner's added costs for processing of payments that are dishonored or returned due to insufficient funds, each such payment will be increased by \$25 for the first instance or \$35 for each subsequent instance as a returned payment charge and will not be considered paid until valid payment has been received. Payment should be mailed or delivered to **The Palms on University, 1400 University Ave., Riverside, CA 92507**. Acceptance by Owner of any payment shall not constitute a waiver of Owner's right to terminate this Agreement and/or claim any damages. Unpaid charges past due more than 30 days will also bear additional interest at 10% per annum, as allowed by law, from such date through the date of payment in full.

3. **Owner; Owner; Agent.** The owner of the Property is SSC Riverside Apartments LLC. Owner has appointed The Scion Group LLC ("Manager") as its property management agent, authorized to act on behalf of Owner. Written correspondence to any of the above should be directed to: **1400 University Ave., Riverside, CA 92507**.
4. **Assignments.** Apartment and bedroom space assignments are made, and may be changed, only by Owner or its agent. **Change requested by Resident:** Resident may request to change assignments to a different apartment. Such change requests by the Resident are only effective upon written approval by Owner in its discretion, subject to the following preconditions: (a) Resident must be in good standing under the Housing Agreement; (b) Resident must prepay a \$200 reassignment fee (refunded if the request is declined); (c) Resident and Owner must sign a written confirmation of the change in assignment, including Resident's agreement to pay the prevailing rate for the new assignment, pro-rated to the date scheduled for relocation; and (d) relocation must be completed within 48 hours or charges will apply on both spaces. **Change by Owner:** Owner reserves the right to relocate Resident to another equivalent bedroom space or apartment at the Property for any reason (e.g., roommate conflict, urgent maintenance, etc.) upon at least three days' notice. In such case, if the new Owner-assigned space carries a lower rate, Resident's charges will be pro-rated and reduced accordingly; if the new Owner-assigned space carries a higher rate, Resident will continue to pay the rate under this Agreement and will not be charged the higher rate. Failure to relocate within the time provided by Owner may result in charges applying for both spaces.
5. **Termination; Subletting/Delegation.** Once this Agreement is signed by Owner and Resident, Resident can terminate occupancy by providing written notice to Owner and by fully vacating the premises, provided that **Resident will remain fully responsible for the Total Rent that would have accrued under this Agreement, through the end of the full original Term**, accelerated and payable at the time of termination. No exception can be made for financial hardship, academic changes, family matters, medical issues, roommate conflict or any other reason. Any charges associated with damage to a bedroom space, apartment or the Property or Resident's failure to vacate completely upon termination, will be payable in addition to the foregoing amount. After such termination, Owner will use its commercially reasonable efforts to contract with other individuals for the use of all available bedroom spaces, including the bedroom space vacated by Resident; if and when all such available bedroom spaces at the Property are fully assigned and occupied and no bedroom spaces remain vacant, Resident will receive a credit equal to the remaining charges that would have accrued under this Housing Agreement, prorated from such date through the end of the original term hereof, less a \$200 cancellation/marketing fee which is in addition to all other charges provided herein. Resident understands that due to the nature of student housing, successful mitigation is highly unlikely; therefore, Owner may accelerate remaining rent at the time of termination, subject to potential credit as described above. Resident may not assign or transfer Resident's interest in this Agreement, or any part hereof, nor sublet Resident's right to use the Property, apartment or bedroom space, or any part thereof, nor provide keys to any other person. However, in Owner's sole discretion, Resident may delegate his or her right to use the Property to another person pursuant to Owner's approved delegation form, signed by all parties, if Resident is in good standing under the Agreement and pays to Owner a delegation fee of \$200.
6. **Move-in; Inspection; Delay.** Before Resident may access or occupy the premises, all required administrative fees, other annual charges and all installments then due must be paid in full with cleared funds and guaranty requirements satisfied. Prior to Resident taking possession of the assigned bedroom space (and any re-assigned bedroom space),

Resident will conduct an inspection of the assigned bedroom space and apartment and will note on the Check-In/Check-Out Inspection Report ("Inspection Report") any defects, damage or other conditions observed, if not already identified by Owner on such report; upon completion and approval by Owner, the Inspection Report will become part of this Agreement. At the time of move-out, Resident is encouraged to inspect the bedroom space and apartment with Owner's representative (not earlier than two weeks prior to move-out) by making an appointment during business hours at least 48 hours in advance. Within three business days following Resident's move-out (or, as applicable, following the move-out of all residents of an apartment) at the termination of this Agreement, or within a reasonable time if Resident moves out without notifying Owner, Owner will note the then-present condition of the assigned bedroom space and apartment, including all appliances and fixtures, and any damages incurred and/or extraordinary cleaning deemed necessary by Owner or extraordinary wear as determined by Owner. Resident will promptly pay all costs of restoring the bedroom space and apartment to the same condition upon move-in, less normal wear. Resident acknowledges that except as provided in the Inspection Report, each bedroom space and apartment are being delivered in "as-is" condition, and Resident's acceptance of the assigned bedroom space and apartment at the beginning of the Term constitutes Resident's acknowledgment that the bedroom space and apartment and all fixtures are in good repair and condition. Owner will not be responsible for any damages or consequences suffered by Resident as a result of Owner's inability to timely deliver possession of the apartment or assigned bedroom space to Resident on the anticipated Start Date; in such event, the rent payable will be abated until Owner renders possession and such delay will not extend or decrease the term or change the End Date.

7. **Utilities.** The following utilities are included in the Total Rent set forth in this Agreement: **electricity, water/sewer, gas, Internet access and trash disposal.** Resident will be responsible for establishing and paying for telephone service and any other available utilities not provided above. Owner makes no representations and hereby disclaims any and all warranties, express or implied, with respect to any utilities provided, including but not limited to those warranties concerning merchantability and fitness for a particular purpose or use, whether made allegedly by Owner or its representatives or agents, whether in writing or otherwise, except as otherwise expressly stated in this Agreement, or in written documentation signed by the parties hereunder after the date hereof. Owner does not warrant or guarantee the protection of Resident's privacy during operation of utilities, that such utilities will satisfy Resident's requirements, or that the operation of utilities will be uninterrupted or error free. Resident acknowledges and agrees that neither Owner nor its affiliates, agents, employees or representatives will be responsible to Resident for any non-economic, consequential, incidental, indirect or special damages, including incidental, economic or punitive damages, arising from breach of warranty, breach of contract, negligence or any other legal ground of action, or by reason of the use, discontinuation or modification of any utilities or the termination of any utilities, whether arising from Resident's use of (or inability to use) utilities, or otherwise, even if Owner has been advised of the possibility of such damage. In the event that any utility service proves defective, or is discontinued or terminated, Owner's and Manager's entire combined liability and Resident's exclusive remedy will be limited to a reimbursement of the approximate cost of that utility, prorated by the day for each day the utility service proved defective, or was discontinued or terminated, for more than 24 hours. Resident agrees to indemnify, defend and hold harmless Owner and its employees, affiliates and agents, from any and all losses, claims, damages, expenses, other liabilities and causes of action of every nature, including attorney fees, which arise, directly or indirectly, in connection with: (i) violation by Resident of any laws, ordinances, regulations or rules regarding the utilities; or (ii) illegal or inappropriate use of the utilities. Any damage or loss to any utility devices during Resident's occupancy will be charged to Resident (and the other resident in the apartment, as applicable) at the replacement cost.
8. **Required Liability Insurance; Personal Property.** During the full term of the Housing Agreement, Resident agrees to obtain and maintain at Resident's expense a policy of personal liability insurance (i.e., renter's liability insurance) from a licensed insurance carrier in the United States, with coverage of at least \$100,000 per occurrence. The liability insurance requirement and the existence or limits of any such insurance will not reduce or supersede Resident's obligations under this Housing Agreement. Owner will make available an opportunity for Resident to purchase renter's liability insurance (with or without optional personal property insurance) from a pre-approved third-party provider, for Resident's convenience. Resident is not obligated to purchase any insurance from such provider and may arrange its own personal liability insurance policy from any insurer of Resident's choosing meeting the requirements of this paragraph, in which case Resident agrees to provide written proof of the required personal liability insurance coverage, including causing Owner and Manager to be listed as named interested parties on such insurance coverage. Owner will provide instructions prior to move-in for submitting proof of insurance or purchasing a compliant insurance policy; Resident's failure to comply with these insurance requirements will be a breach by Resident with Owner reserving its remedies but will not give Resident any right of termination. If Resident fails to provide sufficient proof of personal liability insurance to Owner within two days after the Start Date, or if Resident's insurance is cancelled during the term of this Housing Agreement, then Owner may, at its option, purchase such coverage on Resident's behalf and in Resident's name, for a one-year period beginning on the date of purchase; in such case, Resident agrees to such insurance purchase and agrees to promptly reimburse Owner for the

cost (approximately \$150) as additional Rent. Owner also strongly recommends that Resident maintain insurance covering Resident's personal property or belongings, which Resident may elect to purchase. Neither Owner nor any of its employees, representatives or agents assumes any liability, directly or indirectly, for loss or damage to the personal property of Resident or others by fire, theft or any other cause. Any personal property remaining in the bedroom space and/or apartment at the end of the Term or after earlier termination of this Agreement will be considered abandoned by Resident and may be disposed of by Owner at the risk and expense of Resident, with Owner maintaining a landlord's lien for unpaid rent as provided by law. Owner will not be liable or responsible for storage or disposition of the Resident's personal property.

- 9. Responsibility for Damage.** Resident will be solely responsible for any damage, defacement or loss within the assigned bedroom space. All assigned residents of an apartment will be jointly and severally responsible for any damage, defacement or loss to common areas, other parts of the facility, fixtures or appliances, except for the portion of damages over \$100,000 where it is finally established that one or more other residents were solely at fault for the entire loss. Resident will be fully responsible for the conduct of his or her guests, visitors, licensees and invitees ("Guests"), including without limitation harm to individuals or damage or defacement of any part of the Property or its fixtures or property of third parties (including other residents) by such Guests.
- 10. Prohibitions.** Firearms, weapons, explosives or illegal drugs of any kind are strictly prohibited anywhere on or about the Property, including individual apartments and bedroom spaces (except government-issued service weapons carried by duly deputized law enforcement personnel). No gas or charcoal grill, nor any other open flame cooking or heating device, may be stored or used on any balcony, deck and/or patio at the Property or within 25 feet of any building, except permanently installed community grills provided by Owner. Resident will, and will cause Guests to: (a) comply with all federal, state, county and city laws, ordinances and/or regulations, including without limitation those relating to controlled substances and alcoholic beverages; (b) not act in any way that endangers the Property or the safety of any person, or that is intended to facilitate criminal activity; (c) not engage in disruptive behavior or conduct or allow any noise loud enough to be heard outside the apartment or in neighboring apartments assuming doors and windows were closed; (d) not place or keep any trash outside of the apartment, including on any balcony, deck or patio; (e) not damage, take or possess any property belonging to others without express consent; (f) not tamper or interfere with smoke detectors, sprinklers or fire alarms; (g) not injure the reputation of the Property or its residents, (h) not act or fail to act in any way that would cause an increase in the rate of insurance at the Property; (i) not engage in any activity which interferes with or decreases the use and enjoyment of the Property by other residents; and (j) otherwise obey all rules and regulations applicable to the Property. Any single violation of any of the foregoing will be considered a material breach of this Agreement and will be good cause for immediate termination of the Agreement with all charges due.
- 11. Cleanliness and Safety; Entry.** Resident agrees to maintain the assigned bedroom space, the apartment and the common areas of the Property in a clean, safe and sanitary condition, to exercise all due care in the use of same, and to cooperate fully with the Property pest control program as requested. Resident will be responsible for the cost of treatment for bedbugs and similar pests to the extent Owner's pest control vendor reasonably determines that an infestation has originated within Resident's assigned space and during Resident's occupancy. Resident will place all trash in provided receptacles and will be responsible for the cost of cleaning the interior or exterior of the apartment if not kept in sanitary condition. When outdoor temperatures exceed 85 degrees Fahrenheit, Resident will keep the apartment's air conditioning turned on and set to a reasonable temperature to prevent mold or mildew growth, including during vacations. Owner and its agents, employees and contractors may enter any apartment and bedroom space during business hours to perform routine maintenance, pest control, inspections, showings and other ordinary functions, provided that Owner will provide reasonable advance notice to residents of an apartment before such entry. Owner reserves the right to enter an apartment and any bedroom space without prior notice (including a passkey and/or disarming the alarm or other means of entry if locks have been changed) for emergency maintenance or repair purposes, or when there is reasonable cause to believe that a situation exists that could cause danger to life, safety, health or property. Owner may confiscate any item deemed to cause a danger and is under no obligation to pay compensation for or to return such items.
- 12. Residential Use; Pets.** The bedroom space and apartment may be used solely for private residential purposes and no other purposes. Resident may not carry on any business or other enterprise from the bedroom space or apartment, nor use any Owner-provided Internet connections for business purposes. Resident may place no signs, placards or other advertisement of any character in the bedroom space or apartment, nor display anything in an apartment or bedroom space that is visible from outside the Property or the apartment, except for political signs strictly in compliance with California Civil Code §1940.4. Resident may not store at the Property or connect to a Property electrical outlet any mobility device owned by a third party. Pets are permitted in or about the Property only following Owner's signature on a Pet Addendum for the specific pet, which requires payment of a mandatory pet fee and deposit; all other pets are prohibited anywhere at the Property. Certain animals and breeds are prohibited; Owner reserves the right to decline permission for any pet it deems may be unsafe or unsanitary and to have removed any

unattended or dangerous animal. Every dog must be kept on a leash at all times when outside of the Resident's apartment. Additional restrictions on the number, keeping and treatment of pets are provided in the Community Policies and Pet Addendum. The residents of any apartment in which an animal is kept are jointly and severally responsible for the actions of the animal, including any damage caused by the animal, and for prompt clean-up of all waste from the animal. Violation of the pet policies will subject Resident to cleaning and daily administration fees in Owner's discretion and will be considered as a material breach of this Agreement by Resident.

13. **Guests; Occupancy Limits.** No more than one person may occupy a bedroom space (in designated double occupancy apartments, no more than the two assigned residents may occupy a bedroom space), except for minor children for whom the Resident is the parent or legal guardian (further subject to apartment occupancy limits) and who have been registered in writing with Owner, further subject to apartment occupancy limits. If Resident desires to have an Overnight Guest (any person staying in the Resident's assigned bedroom space or apartment for more than three total nights in any 30-day period), then Resident must register the Overnight Guest(s) with Owner. Resident may not have Overnight Guest(s) for more than three consecutive nights, nor for more than six total nights in any 30-day period. In the event any unregistered or unauthorized Overnight Guest(s) are identified to be in or using an apartment or bedroom space, Owner may assess against the Resident a fee of \$60 per night, in addition to the right of Owner to declare Resident in material breach of this Agreement and pursue other available remedies. Although Resident may have Guests from time to time, Owner reserves the right to restrict the number of persons permitted in or about an apartment at any time in Owner's discretion, to protect safety and the quiet enjoyment of other residents. Guests may park only in designated guest parking areas, if any, and no Guest's vehicle may remain at the Property for more than three days.
14. **Parking.** If "parking garage space" is selected on page 1 above with a corresponding rental rate, Owner grants to Resident a non-exclusive, undivided limited permit to use one parking spot at any time in the Property's parking garage (subject to handicap and reserved parking restrictions) for the sole purpose of parking one personal, non-commercial vehicle, and for ordinary access to and from such parking garage over marked driveways. If "reserved/adjacent parking" is selected on page 1 above with a corresponding rental rate, Owner grants to Resident a non-exclusive, undivided limited permit to use one designated parking spot in the Property's parking lot, for the sole purpose of parking one personal, non-commercial vehicle, and for ordinary access to and from such parking lot over marked driveways. Parked vehicles must be properly registered and licensed and may not create a safety hazard. Vehicles improperly parked or appearing abandoned may be towed at the vehicle owner's expense. This paragraph creates a limited use license and not a bailment. Resident assumes all risk and responsibility for damage to the vehicle and any personal property contained in it, and the vehicles or other personal property of others, in connection with any use of parking areas. Unauthorized or improperly parked vehicles will be towed at the risk and expense of the vehicle owner. Owner is not responsible for any damage to vehicles or property contained in vehicles. Owner reserves the right to revoke or restrict parking rights in the event Resident violates this paragraph or the Agreement.
15. **Smoking. The Palms on University is an entirely smoke-free facility.** Smoking or vaping inside any apartment, hallway, stairwell, breezeway or other indoor area by Resident or his or her Guest(s), or in any clubhouse or common area, or immediately outside any building at the Property, is prohibited. In the event that Resident or any guest smokes, burns candles, burns incense or engages in any other activity which could result in particles and/or smoke which tend to cause staining or odor on walls, carpets or other portions of the premises, a persistent odor in the apartment that necessitates ductwork cleaning or the removal of carpet and padding despite an apparent clean appearance, all such damage and repair cost will be considered extraordinary damage beyond normal wear and tear and is the responsibility of the Resident. Therefore, Resident agrees that **any** smoking in an apartment will subject the residents to a collective minimum deep-cleaning fee of \$250, plus any additional costs of cleaning or repair in connection with smoking or other smoke-related damage, in addition to Owner's other remedies for breach of this Agreement.
16. **Maintenance, Alteration and Repair**
 - (a) Resident is responsible for and agrees to take good care of the premises, fixtures and all common areas. Resident may not remove any of Owner's property and will not perform any repairs, upgrades, painting, wallpapering, electric changes or other alterations of the premises without prior written consent from Owner. Resident will be responsible for damage from waste stoppages caused by foreign or improper objects or improper use in lines serving bathrooms, damage to fixtures, appliances, doors, windows, screens, damage from water faucets left on or from doors left open, and repairs or replacements to alarm devices necessitated by misuse or damage by Resident and/or guests. Extraordinary appliances or furnishings such as satellite dishes, hot tubs, pool tables, water beds or high utility-consuming devices may not be installed or placed on the premises or anywhere at the Property without Owner's prior written consent.
 - (b) In the case of a malfunction of any utilities or damage by fire, water or similar cause, or any water leak, electrical problem, broken glass, broken lock or any other condition that Resident reasonably believes poses a material hazard to health and safety, Resident must promptly notify Owner in writing. Owner will act with

reasonable time and diligence in making repairs and reconnections; Resident may not withhold or reduce payment of rent or other charges during such time. Maintenance and repair requested by Resident will generally be performed between 8am and 8pm, unless the work is considered an emergency, in which case work may take place at any time. Owner may temporarily disconnect equipment or utilities to avoid property damage and/or to perform repairs requiring such interruption, in Owner's sole discretion. Owner will not be liable for any inconvenience, discomfort, disruption or interference with Resident use of the premises because of ongoing repairs, alterations or improvements to the Property or any apartment.

- (c) Following move-in, Resident is responsible for providing and changing all light bulbs and batteries (for smoke detectors and remote controls) in the assigned apartment. A written maintenance report requesting assistance in changing these items may be submitted for maintenance staff assistance, with extra charges payable by Resident as applicable per Owner's published rates. From time to time, maintenance staff may enter the assigned apartment with or without notice to inspect and change furnace filters and to provide pest control.

17. **Management; Community Policies.** Owner may retain employees and management agents from time to time to manage the Property, and Owner's agent may retain other employees or contractors. Resident, on behalf of himself or herself and his or her Guests, agrees to comply fully with all directions from Owner and its employees and agents, and the rules and regulations (including all amendments and additions thereto, except those that substantially modify the Resident's bargain and to which Resident timely objects) as contained in this Agreement and the Community Policies of the Property. **The Community Policies are available at <http://thepalmsuniversity.com/policies.pdf> or on request from the management office and are considered part of this Agreement.**
18. **Breach by Resident.** Upon any breach by Resident of this Housing Agreement or a prior agreement between Resident and Owner or its affiliates, including community policies, Owner may without separate demand or notice except as provided by law, and in addition to other lawful remedies, do any one or more of the following: (i) collect any charge under this Housing Agreement or community policies, including reimbursement for costs of collection; (ii) terminate this Housing Agreement and Resident's right to occupy the premises and/or institute an action for eviction; (iii) sue to collect all past due charges and/or unpaid rent and other charges which would become due through the End Date or until the bedroom space and all other bedroom spaces at the Property have been filled, with recovery by Owner of any discrepancy in rent rate and any expense incurred in obtaining the new resident contract; (iv) report any information to credit reporting agencies. Without limitation, Owner may terminate this Agreement for non-payment of rent or other charges, or upon any conduct by Resident that is prohibited by or in breach of this Agreement, or if, in the reasonable judgment of Owner, continued residency will or may be detrimental to the educational process or the health, safety and/or welfare of the other residents of the Property or any of the Property's personnel. Upon any termination as described in this paragraph, Resident: (a) must fully vacate the bedroom space and apartment (including removing all personal belongings) within the time provided in the written notice given by Owner, and will have no further use of or access to the Property, the assigned apartment or bedroom space; and (b) will be fully responsible for all rent and other charges as if the Agreement had been terminated by Resident as described in paragraph 5. Owner's termination for breach will not limit its claim for damages resulting from Resident's breach. Owner's acceptance of rent or other payment following notice to vacate or during the pendency of a legal action will not waive or diminish Owner's rights under this Agreement or law unless separately and expressly agreed by Owner.
19. **Assumption of Risks; Liability.** Resident ASSUMES ALL RISKS associated with use of the Property, and to the full extent permitted by law, agrees to hold harmless, release, defend and indemnify Owner and its affiliates, members, partners, officers, agents, management company and its and their respective employees ("Released Parties") from all loss, liability and/or claims for injury or death to persons or damage or theft to property arising in whole or in part from: (i) the negligent acts, omissions or intentional wrongdoing of Resident or his/her Guests; or (ii) the use, occupancy, presence at or other interaction with the Property or any part or contents thereof by Resident or his or her Guests, including without limitation those injuries and damages caused by a Released Party's alleged or actual negligence or by breach of any express or implied warranty. The Released Parties will not be liable for injury, damage or loss caused by criminal conduct of other persons, including theft, assault, vandalism or other acts of third parties. Resident agrees to indemnify each Released Party for any injuries to Resident or any Guest or other person or property that arises in connection with occupancy or use by Resident or any Guest of Resident. Resident further agrees to reimburse, indemnify and hold harmless Released Parties from any and all claims, lawsuits, actions, costs, damages (including liquidated damages as specified) or losses, including reasonable attorneys' fees and costs and expenses, that a Released Party incurs or may incur as a result of any breach of this Agreement by Resident. The forgoing will be binding to the fullest extent permitted by law.
20. **Safety Precautions.** Resident acknowledges that neither Owner nor any of its agents, employees or representatives has made any representations or warranties, either written or oral, concerning the safety of the Property, the bedroom space or any apartment, or the effectiveness or operability of any security devices or security measures in the Property, the bedroom space or any apartment. Resident acknowledges that Owner neither warrants nor guarantees

the safety or security of residents or their Guests against any criminal or wrongful acts of third parties. Resident and his or her Guests are responsible for protecting their own respective person and property and hereby release Owner and its agents, employees and representatives for any and all damage to person and property. Owner's safety measures are neither a warranty of safety nor a guaranty against crime or of a reduced risk of crime. Resident acknowledges that security devices or measures may be changed or removed by Owner without notice or compensation, and/or may fail or be thwarted by criminals or by electrical or mechanical malfunctions. Therefore, Resident acknowledges that he or she should not rely on such devices or measures and should take steps to protect himself or herself and his or her existing property notwithstanding these devices. Resident agrees to immediately notify Owner's representative of any malfunctions involving locks and life-safety building components. Should Resident become seriously injured or imperiled at the Property, Resident authorizes Owner and its agents to call 911 Emergency at Resident's expense, without legal obligation to do so.

21. **Abandonment.** If the assigned bedroom space or an apartment is abandoned or Resident's right to use them has been terminated, Owner may, without notice, secure the bedroom space and/or apartment with new locks, store or dispose of any personal property left in the bedroom space or apartment by Resident or Resident's Guests, and re-assign the bedroom space and/or apartment to others for use. Any such abandoned property or personal possessions shall be stored and disposed of by Owner as provided by law. Owner, in its sole reasonable discretion in accordance with applicable law, will determine when a bedroom and/or apartment is abandoned, which may take into consideration any one of the following: the removal of personal property from the bedroom space other than in the usual course of continuing use, the failure to pay housing charges or other charges, discontinuance of any utility service, and failure to respond to any notices, phone calls, or correspondence from Owner or its representatives. Upon abandonment, Owner may recover damages including without limitation the worth at the time of award of the amount by which the unpaid rent for the balance of the Term, including after the time of award, exceeds the amount of such rental loss for the same period that the Resident proves could be reasonably avoided.
22. **Vacating at End of Term; Renewal.** **This Agreement does not automatically renew, and Owner is not obligated to renew it.** Owner reserves the right to contract with others for the premises at any time, for occupancy commencing after the End Date. Upon termination or expiration of this Agreement for any reason, Resident will immediately vacate and relinquish the bedroom space and entire apartment, and all of Owner's fixtures, in a clean and sanitary condition, including removing all trash. Resident will pay all utility and service bills to the bedroom space and apartment (except those provided by Owner as specified above) and cancel all utility accounts in the name of Resident. Resident will return to Owner all keys issued to Resident by Owner. If all keys issued to Resident are not returned promptly to Owner, Resident will pay all costs associated with re-keying or reprogramming locks for the bedroom space and/or apartment, along with the cost of key replacement. If Resident fails to vacate the bedroom space and apartment by the end of the Term or upon earlier termination of the Agreement, Resident will pay agreed holdover charges equal to three (3) times the daily pro-rated housing charges during the Term (but not more than the amount provided by law), plus associated expenses, including attorneys' fees. In no event after termination or expiration of this Agreement will it be deemed to be renewed or extended.
23. **Security Deposit.** None.
24. **Casualty Loss.** If in Owner's reasonable judgment the premises or the Property is materially damaged by fire or other casualty, Owner may terminate this Agreement within a reasonable time after such determination, by written notice to Resident, in which case Owner will refund prorated, pre-paid rent and all deposits less lawful deductions unless Resident and/or Resident's guest(s) caused the casualty, in which case all funds on account will be applied to all applicable charges related to the damages and Resident will be responsible for the balance of all charges for repairs. If following a fire or other casualty Owner does not elect to terminate this Agreement, Owner will rebuild the damaged areas within a reasonable time, and during such reconstruction, Resident will be provided a reasonable rent reduction for the unusable portion of the premises unless Resident and/or Resident's guest(s) caused the casualty.
25. **Guarantor Information, Notice.** Owner reserves the right to notify any Guarantor of any action taken or notice given with regard to Resident under this Agreement. If Resident or Guarantor has supplied information by means of an application for residency, guaranty of payment or other documentation, Resident and Guarantor, as the case may be, represent that such information is true and correct and given voluntarily and knowingly. Owner and its management agent reserve the right to release any such information and/or Resident's account history to law enforcement, government officials, lenders and prospective purchasers of the Property, or to the court in any legal proceeding.
26. **Use of Likeness.** As part of the consideration for this Housing Agreement, Resident authorizes Owner and its affiliates to make photographs and video recordings of Resident in community and resident amenity areas, and irrevocably grants Owner and its affiliates a royalty-free license to use Resident's image and likeness for all lawful purposes, including promotional purposes in advertising, video, web, social media and other formats.

27. DISPUTE RESOLUTION; MANDATORY ARBITRATION; CLASS-ACTION WAIVER.

- (a) Claims Subject to Arbitration. Except as expressly provided below, the parties agree that to the fullest extent permitted by applicable law, any dispute arising out of or relating in any way to this Agreement or a similar prior agreement, the Property or the relationship between Resident and Owner or Manager (including matters occurring prior to the date of this Agreement and disputes also involving third parties) (collectively, "Claims") will, at the election of either party, be resolved by arbitration, including any dispute about arbitrability, such as scope and enforceability.
- (b) Arbitration Process. Except as expressly provided herein, any arbitration will be conducted pursuant to the applicable rules (the "Arbitration Rules") of the American Arbitration Association. The arbitration will be conducted in Los Angeles, California. The parties will select a single arbitrator, but in the event that the parties are unable to agree, the arbitrator will be appointed pursuant to the Arbitration Rules. The arbitrator will be a practicing attorney with significant expertise in litigating and/or presiding over cases involving the substantive legal areas involved in the dispute. The parties to the arbitration will not request, and the arbitrator will not order, that any discovery be taken or provided, including depositions, interrogatories or document requests, except to the extent the amount in controversy exceeds \$50,000. The arbitration will be concluded within three months of the date the arbitrator is appointed. The arbitrator's findings, reasoning, decision, and award will be stated in writing and based upon applicable law. Judgment on the arbitration award may be entered in any court having jurisdiction. In the event that the arbitration results in an award which imposes an injunction or contains a monetary award in excess of \$100,000, the award will be reviewable on appeal initiated by filing notice of appeal with the AAA office within 30 days of the award, governed by the AAA Optional Appellate Arbitration Rules and conducted by a panel of three new arbitrators, ruling by majority, under the procedure for appointment from the national roster of arbitrators. Unless the applicable Arbitration Rules require otherwise, arbitration fees and costs will be shared equally by the claimant(s) and respondent(s), respectively, in any arbitration proceeding. Should the AAA be unavailable, unable or unwilling to accept and administer the arbitration of any claim under these arbitration provisions as written, the parties will agree on a substitute arbitration organization, such as JAMS, that will enforce the arbitration provisions as written. *Because this Agreement memorializes a transaction in interstate commerce, the Federal Arbitration Act governs the interpretation and enforcement of these arbitration provisions. More information about arbitration, including the Arbitration Rules, is available at www.adr.org or by calling 1-800-778-7879.*
- (c) Claims Excluded from Arbitration. The following matters will not be subject to arbitration but will instead be adjudicated in the courts of Riverside County, California or such other court in which jurisdiction and venue are proper: (a) an action for possession or for injunctive remedies provided under applicable landlord-tenant laws; (b) a suit by Owner or its assignee for collection of amounts owed by Resident under this Agreement; and (c) any claim or dispute for which applicable law does not permit arbitration and requires adjudication in a specific civil court. Matters within the jurisdiction of an applicable small claims court may also be brought in that court in lieu of arbitration.
- (d) Right to Opt Out of Arbitration. RESIDENT MAY OPT OUT OF THE FOREGOING ARBITRATION PROVISIONS BY SENDING EXPRESS WRITTEN NOTICE (VIA CERTIFIED US MAIL OR RECOGNIZED COURIER SERVICE) ELECTING TO OPT OUT OF ARBITRATION PROVISIONS, WITHIN 30 DAYS OF RESIDENT'S EXECUTION OF THIS AGREEMENT, to: The Scion Group, Attn: Legal Department, 444 N. Michigan Ave., Suite 2600, Chicago IL 60611. Resident will continue to be bound by any other arbitration provision Resident did not opt out of.
- (e) Applicable Law; Attorney Fees. All claims and disputes, including those adjudicated in arbitration or in court, will be governed by the internal laws of the State of California with respect to contracts made or events occurring therein. Unless prohibited by applicable law, the substantially prevailing party in any dispute between the parties (including in arbitration) may recover their reasonable costs and fees incurred in connection with such matter, including reasonable attorneys' fees.
- (f) Class Action Waiver. **THE PARTIES AGREE THAT ANY CLAIMS WILL BE ADJUDICATED ON AN INDIVIDUAL BASIS, AND EACH WAIVES THE RIGHT TO PARTICIPATE IN A CLASS, COLLECTIVE, PAGA, OR OTHER JOINT ACTION WITH RESPECT TO THE CLAIMS.**
- (g) Waiver of Jury Trial. **THE PARTIES KNOWINGLY AND VOLUNTARILY WAIVE ANY RIGHT TO A JURY TRIAL FOR CLAIMS NOT SUBJECT TO ARBITRATION, WHICH WILL BE ADJUDICATED BY A JUDGE ONLY.**
- (h) Severability and Survival. To the extent any provision of this paragraph 27 is found to be unenforceable, it will be severed so the parties' intent to arbitrate will survive and arbitration will proceed without such provision; provided that if the class-action waiver is found unenforceable for any reason, the arbitration provisions of this paragraph 27 will be void. All of the terms and provisions of this paragraph 27 will survive the termination or expiration of this Agreement.

28. Miscellaneous. Failure of Owner to insist upon strict compliance with the terms of this Agreement will not constitute a waiver of Owner's rights to act on any violation. Owner's rights are cumulative and the exercise of any remedy by Owner will not exclude or waive the right to exercise any other right or remedy. Time is of the essence in the performance of this Agreement. Owner and its agents and affiliates make no representations or warranty as to the character or standing of any other residents of the Property. The lien of Owner's lender(s), if any, on the Property may be superior to Resident's rights as a resident and this Agreement may be made subject to the rights of such lender(s). This Agreement and any attached and signed addenda constitute the entire agreement between the parties and no oral statements will be binding. If any provision of this Agreement requires the permission or consent of Owner, such written permission or consent may be granted or withheld in the sole discretion of Owner or its designated agent or representative or may contain such conditions as Owner deems appropriate and will be effective only if Resident complies with such conditions. Moreover, any written permission or consent given by Owner to Resident may be modified, revoked or withdrawn by Owner at any time, at Owner's sole discretion, upon written notice to Resident. Any amendment to this Agreement, other than a change to the Community Policies, must be in writing and signed by Resident and Owner or its authorized agent. Notwithstanding anything to the contrary in this Agreement, to the extent Resident is obligated to pay attorneys' fees or to indemnify Owner, or to the extent Owner's liability hereunder is limited, such obligations and limitations remain subject to and apply only to the extent not prohibited by applicable law. If any provision of this Agreement is found to be unenforceable or inapplicable, then the remaining provisions will not be voided and will remain in full force and effect.

29. Notices. The following notices are required by California law:

State law permits former tenants to reclaim abandoned personal property left at the former address of the tenant, subject to certain conditions. You may or may not be able to reclaim property without incurring additional costs, depending on the cost of storing the property and the length of time before it is reclaimed. In general, these costs will be lower the sooner you contact your former landlord after being notified that property belonging to you was left behind after you moved out.

Notice: Pursuant to Section 290.46 of the Penal Code and California Civil Code Section 12079.10a (Megan's Law), information about specified registered sex offenders is made available to the public via an Internet Web site maintained by the Department of Justice at www.meganslaw.ca.gov. Depending on an offender's criminal history, this information will include either the address at which the offender resides or the community of residence and ZIP Code in which he or she resides.

Pursuant to California Civil Code Section 1785.26, you are hereby notified that a negative credit report reflecting on your credit record may be submitted to credit-reporting agencies if you fail to fulfill the terms of your obligation under this Agreement.

[signatures on page 1]

The Palms on University is an Equal Opportunity housing provider.

