

LEASE AGREEMENT

Los Altos, CA, July 14, 2014

Lanie Galland & Brian Anderson, hereby agree(s) to rent the premises known as 13409 Cristallina, Truckee, CA, 96161 (hereinafter called "premises" from Kevin & Catherine Kornegay (hereinafter called "Owner"), upon the following terms and conditions:

1. **TERM.** The term shall commence at 12:01 a.m. on August 1, 2014 through July 31, 2015, and thereafter on a month-to-month basis until either party shall terminate this contract pursuant to Paragraph #28.
2. **RENT.** Tenant shall pay the minimum MONTHLY RENTAL of **\$1650.00** (Sixteen Hundred Fifty & 00/100 Dollars) due and payable on the 1st day of each and EVERY month that occupancy is held. Rent shall be paid to Owner or authorized at Owner's current address, or at any other place so designated by Owner. First month's rent is due prior to commencement of occupancy. In the event rent is not paid, within three (3) days of the due date, Tenant agrees to pay a late charge of \$50.00. Owner and Tenant agree that the charge is presumed to be the damages sustained because of Tenant's late payment of rent, and that it is extremely difficult to fix the actual damages. The late charge period is not grace period and Owner is entitled to make written demand for any rent unpaid on the second day after the due date.
3. **PARKING.** Premise does include parking for motor vehicles in driveway only. No other parking is provided or allowed. No parking is allowed on street in winter.
4. **EXTRA STORAGE SPACE.** No additional storage space outside of premises is permitted.
5. **SECURITY DEPOSIT.** Tenant shall pay **\$2000.00** (Two Thousand & 00/100 Dollars) as a security deposit, in advance prior to commencement of occupancy of premises, which shall insure the performance of Tenant's obligations. Tenant may NOT apply the security deposit, nor any portion thereof, to the last month's rent. Owner may but is not obligated to, apply all portions of the deposit on account of Tenant's rent or other obligations. If charges made upon termination of tenancy exceed the remaining security deposit held by Owner, Tenant shall remain liable to Owner for these excess charges. If any portion of the security deposit is applied by Owner to any obligations of Tenant at any time during the tenancy, Tenant shall be liable, upon 5 days written notice, to reinstate the full amount of the security deposit.
6. **PAYMENT BY CHECK.** If payment of rent is made by check which is dishonored by the bank for any reason, Tenant, in addition to late charges (if applicable), agrees to pay \$50.00 for each dishonored check, and subsequent rent payments, at Owner's option, shall be in a guaranteed form of payment.
7. **UTILITIES.** Landlord shall pay for the following utilities and services for premises, Water/Sewer, and 1 garbage can. All other utilities and services for the premises shall be paid for by Tenant. Tenant agrees to pay for cost of excessive use of water. Notwithstanding anything to the contrary, Tenant shall pay the disposal cost of Tenant's bulky, or hazardous, or unusual refuse (including, but not limited to, discarded furniture, old carpets, cardboard containers, solvents, paints, old appliances.)
8. **FURNISHINGS AND APPLIANCES.** Owner shall provide the following furnishings and appliances: NONE. Tenant acknowledges that any appliances and furnishings on premises are in good condition and repair. Tenant agrees to replace burned-out light bulbs, fluorescent tubes, and batteries of any smoke/fire detector(s) on premises at Tenant's expense.
9. **WATERBEDS.** Waterbeds and/or liquid filled furniture (WB-LFF) on premises are PROHIBITED in accordance with California Civil Code Section 1940.5 (CC1940.5). If the premises are located in a structure for which a certificate of occupancy was issued after 01/01/73, then a WB-LFF may be permitted only upon consent of Owner, which consent shall be given upon compliance by Tenant with the provisions of CC 1940.5.
10. **INSTALLATIONS.** Tenant shall NOT install nor operate any, deep-freeze units (or other such appliances), pianos, organs, or outside antennae on premises without Owner's prior written consent. No plants, planters, plant boxes may be placed on floors, window or deck ledges, or fire escapes.
11. **OCCUPANTS.** Persons staying more than 14 consecutive days or more than 30 days in any calendar year shall be considered subtenants of the Tenant. Tenant must inform the Owner in writing of the presence of any subtenants within 30 days upon the occupancy of the premises of any such subtenants. The premises may NOT be occupied by more than 2 persons or the maximum number of persons permitted by law, whichever is smaller.
12. **ASSIGNMENT AND SUBLETTING.** Tenant shall NOT assign any portion of this Agreement
13. **PHYSICAL POSSESSION.** If Owner is unable to deliver possession of the premises at the commencement hereof, Owner shall not be liable for any damage caused thereby, nor shall this agreement be void or voidable, but Tenant shall not be liable for any rent until possession is delivered.
14. **INDIVIDUAL LIABILITY.** Each tenant shall be jointly and severally responsible for the full amount of the rent or other obligations hereunder.


15. **MAINTENANCE, REPAIRS.** Tenant shall at Tenant's expense and at all times maintain the premises and furnishings and appliances, if any, in a clean and good condition and shall surrender the same upon termination hereof in as good condition as received (excepting normal wear and tear). Tenant understands that Tenant shall be responsible for repair of all damage including, but not limited to, damage to walls, ceilings, doors, windows and coverings, glazing, floors and coverings, appliances, and plumbing (including stoppage) in and/or about the premises caused by Tenant or Tenant's guests. Tenant agrees to dispose of any burning ashes properly and to fully extinguish all burning material prior to disposal. Tenant further agrees to keep the premises clear of fire hazardous material in accordance with the rules and regulations set by the association and law.
16. **ALTERATIONS.** Tenant shall NOT redecorate, paint, refinish floors, or otherwise alter premises in any way without the prior WRITTEN consent of owner. Tenant shall not apply adhesive paper to any cabinets, walls, or doors on premises, nor hang any plants, planters or lighting fixtures from ceilings or walls of premises. Nor shall tenant tack, nail, or glue any coverings to floors.
17. **LOCKS.** Tenant shall NOT change any lock or place additional locking devices upon any door or window of premises without the prior written permission of Owner. In the event of any installation by Tenant of a lock or locking device, Tenant shall provided the Owner with a key to any lock or locking device installed by Tenant upon the premises within 48 hours of any such installation.
18. **KEYS.** Keys to premises are the exclusive property of Owner. Tenant shall not consign keys to premises to any other person without Owner's written consent. Owner's consent will not be unreasonably withheld. There shall be a minimum charge of \$20.00 for replacement of each lost key. In the event that any keys to premises are lost, Tenant shall be liable for entire cost of all key and lock replacement, at Owner's discretion, as required for the security of premises and building.
19. **ROOF.** Use of roof by Tenant and guests is NOT permitted. Nor shall Tenant or guests place any personal property including planters, decking, chairs, tables) on roof or any portion thereof without Owner's prior written consent.
20. **PETS.** NO pets, dogs, cats, birds, or other animals are allowed on or about the premises, excepting guide, service, or signal dogs pursuant to California Civil Code Sections 54.1 and 54.2. Tenant shall NOT keep or otherwise harbor any animals. Notwithstanding the foregoing, Tenant may keep the following, and only the following, specific, individual pets on premises: **1 dog**
21. Pet(s) listed above shall be confined to the premises of the Tenant only. Any complaints of noise or problems from neighbors shall, at Owner's desecration, be grounds for pet removal. Tenant agrees to remove pets within 48 hours upon request from Owner. Tenant further agrees to provide a pet deposit, in addition to security deposit of, N/A. and have carpets professionally cleaned yearly
22. **INDEMNIFICATION.** Owner shall not be liable for any damages or injury to Tenant, or any other person, or to any property, occurring on the premises or any part thereof, or in common areas thereof, unless such damage is the proximate result of the negligence or unlawful act of Owner, his agents, or his employees. Tenant agrees to hold owner harmless from any claims or damages, no matter how caused, except for injury or damages for which Owner is legally responsible.
23. **ENTRY AND INSPECTION.** Owner shall have the right to enter the premises pursuant to California Civil Code Section 1954:
 - IN CASE OF EMERGENCY, without prior notice.
 - To make necessary repairs, alterations, improvements, supply necessary or agreed services, exhibit the premises to prospective or actual purchasers, mortgagees, tenants, workmen, insurance agents, or contractors.
 - When Tenant has abandoned or surrendered premises.
 - Except under (a) and (c), entry may be made during normal business hours and with a minimum of 24 hour notice.
24. **USE.** Premises are to be used exclusively for residential purposes. No retail or commercial use of premises is permitted.
25. **CONDUCT.** Tenant shall not violate any City, State, or Federal Law in or about the premises, and tenant agrees to comply therewith. There shall be no disturbing the peace or acts creating a nuisance or loud or unusual noises or intoxication in or about the premises at any time; no musical instruments shall be played between 10:00 p.m. and 10:00 a.m. on any day. Smoking or loud noises are not permitted at any time in the premises. Tenant agrees to keep the use of radio, television, and other electrically amplified audio equipment so controlled as not to disturb any other tenant. Tenant agrees to keep premises safe and free of all perilous conditions. Furthermore, Tenant agrees not to commit or permit in or about premises any waste or to interfere with the quiet and peaceful enjoyment of other occupants of said premises. Any breach of these or any other conditions and covenants herein shall, at the Owner's option, terminate tenancy as provided in Paragraph #28 of this agreement.
26. **DAMAGES TO PREMISES.** If the premises are so damaged by fire, flood, or from any other cause so as to render them untenable, then either party shall have the right to terminate this lease as of the date on which such damage occurs, through written notice to the other party, to be given within 15 days after occurrence of such damage; except that should such damage or destruction occur as the result of the conduct or negligence of Tenant, or Tenant's guests then Owner only shall have the right to termination. Should this right be exercised by either party then rent for the current month shall be prorated between the parties as of the date of occurrence of the damage and any prepaid rent shall be refunded to Tenant.


27. **MOVING.** Tenant shall hire a licensed moving company, at Tenant's expense, to move Tenant's large and/or heavy furnishings or appliances into or out of building unless specified herein to the contrary. Tenant shall notify Owner 24 hours in advance of any moving of Tenant's large and/or heavy furnishings or appliances into or out of premises. Tenant assumes and accepts responsibility for any damage caused from move in or out, or any other time who ever causes the damage.
28. **HOLD-OVER.** If this contract is for a fixed term, any holding over by Tenant at the expiration of the fixed term shall create a month-to-month tenancy subject to all the terms and conditions of this contract.
29. **TERMINATION OF TENANCY.** Either Owner or Tenant may terminate this contract by giving at least a 30 day written notice to the other party. However, Tenant may not terminate this Agreement prior to the end of the fixed term in Paragraph # 1.
- On termination, Tenant shall:
 - Completely vacate premises and any parking or storage areas used by Tenant.
 - Deliver all keys, furnishings, if any, and premises to Owner in the same condition as received, except normal wear and tear.
 - Deliver premise in clean condition and carpets professionally cleaned.
 - Give written notice of Tenant's forwarding address.
30. **WAIVER.** Any failure of Owner to enforce any term thereof shall not be deemed a waiver. The acceptance of rent by Owner shall not waive his right to enforce any term hereof. Time is of essence.
31. **NOTICES.** Any notice which either party may give or is required by law to give may be given as permitted by law by mailing the same by first-class mail to Tenant at the premises or at last known address or to Owner at Owner's last designated address. The service of any notice on one tenant shall be a service of all occupants.
- Lead-based Paint Notice: Many homes built before 1978 may contain lead-based paint. These properties may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead exposure can also pose a risk to pregnant women.
32. **ATTORNEY FEES.** Should either party be compelled to commence or to sustain an action at law to enforce any right hereunder, and then the non-prevailing party shall pay all costs in connection therewith including reasonable attorney fees incurred by the prevailing party.
33. **PROVISIONS.** Should any part, term, or provision of this Agreement be by the courts decided to be illegal or in conflict with any law of this State, the validity of the remaining portions or provisions shall not be affected thereby.
34. **ENTIRE CONTRACT.** The foregoing constitutes the entire agreement between the parties and may be modified only by a writing signed by both parties.

TENANT HEREBY ACKNOWLEDGES READING AND RECEIVING A COPY HEREOF.

SIGNATURE(S):

NAME(S):

1)  1) Lanie Galland Date: 14 July 2014

2)  1) Brian Anderson Date: 14 July 2014

Owner's Signature:

Date:

17 JULY 2014

Catherine Kornegay or Kevin Kornegay

Please make checks payable to:
 Kevin Kornegay
 1536 Arbor Ave
 Los Altos, CA 94024
 650 400-1360 cell
 e-mail - kkorngay@gmail.com

Addendum

Rent is to be deposited in Bank of America to the following account:
 Checking Account Number: **000820966734**
 Routing number: **121000358 (paper & electronic), 026009593 (wires)**

No smoking is allowed on the property!