

RESIDENTIAL LEASE

BY THIS AGREEMENT (the Lease),

made and entered into on _____ [date on which Lessee signs this lease],

between D2-2 Development Inc. (Lessor), and

[Lessee names – limit of three] (jointly and severally, Lessee),

Lessor leases to Lessee the premises situated at 426 Dupont Street, in the City of Philadelphia, Pennsylvania, together with all appurtenances, for a term of one year (the Lease Term),

to commence on _____ [the first day of the lease] at 12:00 a.m.,

and to end on _____ [the last day of the lease] at 11:59 p.m.

1. Rent. Lessee agrees to pay, without demand, to Lessor as rent for the demised premises the sum of One Thousand Four Hundred Dollars (\$1,500.00) per month, in advance, on or before the 25th day of the month preceding each calendar month of the Lease Term beginning on or before _____ [first day of lease], at 207 Preston Road, Flourtown, PA 19031, or such other place as Lessor may designate. Lessee will pay the last month's rent in advance, in thirds, along with the first three month's rent. Accordingly, the amount due as rent before each of the first three months of the Lease Term will be \$2,000 (\$1,500 plus \$500). The total amount due as rent (including the last month's rent) during the first three months of the Lease Term will be \$6,000.

2. Form of Payment. Lessee agrees to pay rent each month in the form of (i) one personal check; or (ii) one cashier's check; or (iii) one money order. Payment, in whatever form, will be made payable to "D2-2 Development Inc." or to such successor in interest whom Lessor designates.

3. Late Payments. For any payment not paid by the close of business of the first day of each month of the Lease Term, Lessee will pay a late fee in the amount of Twenty-five Dollars (\$50.00) for each five business day period (or portion thereof) which the payment is late and take whatever other consequences there might be in making a late payment. Lessee will make such late payment along with the next rental payment due.

4. Returned Checks. If, for any reason, a check used by Lessee to pay Lessor is returned without having been paid, Lessee will pay a charge of Thirty-five Dollars (\$50.00) as additional rent and take whatever other consequences there might be in making a late payment. Lessee will pay such charge along with the next rental payment due. After the second time a Lessee's check is returned, Lessee must thereafter secure a cashier's check or money order for payment of rent.

5. Security Deposit. Upon execution of this Lease, Lessee will deposit with Lessor a security deposit of One Thousand Three Hundred Fifty Dollars (\$1,500.00) as security for the faithful performance by Lessee of the terms of this Lease, to be returned to Lessee, without interest except as provided for in The Landlord and Tenant Act of 1951, on the full and faithful performance by Lessee of the terms of this Lease.

6. Utilities. Lessee will be responsible for opening new accounts, arranging for and paying for all utility services required on the premises during the Lease term (including but not limited to water and sewer service, gas service, and electric service). Lessee will either (1) enclose copies of its current utility bills and evidence of payment of such bills (e.g., copies of checks paying such bills) with its lease payments, or (2) will arrange with utility service providers to send copies of current utility bills to Lessor. (Note: The requirement that copies of bills and evidence of payment be provided to Lessor is to protect Lessor against the possibility that utility providers might seek recourse against it if Lessee defaults in its utility payment obligations.)

7. Quiet Enjoyment. Lessor promises that on paying the rent and performing the terms of this Lease, Lessee will peacefully and quietly have, hold and enjoy the demised premises for the agreed term.

8. Use of Premises. The demised premises will be used and occupied by Lessee, in accordance with Lessor's Rules and Regulations (a copy of which Lessee acknowledges receiving and reading), exclusively as a private residence, and neither the premises nor any part thereof will be used at any time during the term of this Leases by Lessee for purpose of carrying on any business, profession, or trade of any kind, for any unlawful activity, or for any purpose other than as a private residence. Lessee will comply with all the sanitary laws, ordinances, rules, and orders of appropriate governmental authorities affecting the cleanliness, occupancy, and preservation of the demised premises, and the sidewalks connected thereto, during the term of this Lease.

9. Compliance with Zoning Regulations. Lessee agrees that the demised premises will be occupied as a private residence in accordance with zoning regulations of the City of Philadelphia.

10. Condition of Premises. Lessee stipulates that it has examined the demised premises, including the grounds, building and improvements, and that they are, at the time of this Lease, in good order, repair, and in a safe, clean and leaseable condition.

11. Keys. Lessor will give Lessee one key to the premises, of which Lessee may make such copies as are necessary. All keys will be returned to Lessor upon termination of this Lease.

12. Locks. Lessee will not change locks on any door or mailbox without first obtaining Lessor's permission and without providing Lessor one duplicate key per lock.

13. Lockouts. If Lessee becomes locked out of the premises after Lessor's regular business hours, Lessee must hire a private locksmith to regain entry at Lessee's sole expense.

14. Parking. The premises does not include parking facilities. On-street parking is available on Dupont Street and other nearby streets. Lessor has no liability or responsibility with respect to vehicles owned or operated by Lessee's members.

15. Assignment and Subletting. Without Lessor's prior written consent, Lessee will not assign this Lease or sublet or grant any concession or license to use the premises or any part thereof. Lessor's consent to one assignment, subletting, concession, or license will not be deemed to be a consent to any subsequent assignment, subletting, concession, or license. An assignment, subletting, concession, or license without the prior written consent of Lessor, or an assignment or subletting by operation of law, will be void, and will, at Lessor's option, terminate this Lease.

16. Alterations and Improvements. Lessee will make no alterations to the building on the demised premises or construct any building or make other improvements on the demised premises without Lessor's prior written consent. All alterations, changes, and improvements built, constructed, or placed on the demised premises by Lessee, with the exception of fixtures removable without damage to the premises and movable personal property, will, unless otherwise provided by written agreement between Lessor and Lessee, be the property of Lessor and remain on the demised premises at the expiration or sooner termination of this Lease.

17. Damage to Premises. If the demised premises, or any part thereof, becomes partially damaged by fire or other casualty not due to Lessee's negligence or willful act or that of its members, their employee/s, family/ies, agent/s, or visitor/s, the premises will be promptly repaired by Lessor and there will be an abatement of rent corresponding with the time during which, and the extent to which, the leased premises may have been untenable; but, if the leased premises becomes damaged other than by Lessee's negligence or willful act or that of its members, their employee/s, family/ies, agent/s, or visitor/s, to the extent that Lessor decides not to rebuild or repair, the term of this Lease will end and the rent will be prorated up to the time of the damage.

18. Dangerous Materials. Lessee shall not keep or have on the leased premises any article or thing of a dangerous, flammable or explosive character that might unreasonably increase the danger of fire on the leased premises or that might be considered hazardous by any responsible insurance company.

19. Right of Inspection. Lessor and its agents will have the right at all reasonable times during the term of this Lease and any renewal thereof to enter the demised premises for the purpose of inspecting the premises and all building and improvements thereon.

20. Maintenance and Repair. Major maintenance and repair of the leased premises, not due to abuse, misuse or neglect of Lessee's members, or their employee/s, family/ies, agent/s, or visitor/s, will be the responsibility of Lessor or its assigns. Except in emergencies, all requests to Lessor to make repairs must be in writing, using a copy of the Repair Request Form provided by Lessor. However, Lessee will, at its sole expense, keep and maintain the leased premises and appurtenances in good and sanitary condition and repair during the term of this Lease and any renewal thereof. In particular, Lessee will keep the fixtures in the house or on or about the leased premises in good order and repair; keep the furnace clean, keep the house and yard free from dirt and debris; and, at Lessee's sole expense, will make all required repairs to the plumbing, range, heating, apparatus, and electric and gas fixtures whenever damage thereto result from Lessee's members, or their employee/s, family/ies, agent/s, or visitor/s, misuse, abuse or neglect.

21. Signs and Painting. No signs will be placed, or painting done, on or about the leased premises by Lessee or at its direction, without Lessor's prior consent.

22. Pets. No pets are allowed in the leased premises without Lessor's permission.

23. Insurance. Lessor has obtained insurance to cover fire damage to the building at the leased premises as well as liability insurance to cover certain personal injuries occurring as a result of any event determined to involve property defects or Lessor's negligence. Lessor's insurance, however, does not cover Lessee's possessions or losses resulting from Lessee's negligence. Lessor strongly encourages Lessee to obtain insurance to cover such risks.

24. Security. Lessee is responsible for security at the leased premises.

25. Display of Rental Availability Signs. During the last 30 days of this Lease, Lessor or its agent may display "For Sale," "For Rent," or similar such signs on the leased premises, and may show the leased premises to prospective lessees and/or purchasers upon reasonable notice.

26. Subordination of Lease. This Lease and Lessee's leasehold interest hereunder are and will be subject, subordinate, and inferior to any liens or encumbrances now or hereafter placed on the demised premises by Lessor, all advances made under any such liens or encumbrances, the interest payable on any such liens or encumbrances, and any and all renewals or extensions of such liens or encumbrances.

27. Holdover by Lessee. Should Lessee remain in possession of the leased premises with the consent of Lessor after that natural expiration of this Lease, a new month-to-month tenancy will be created between Lessor and Lessee which will be subject to all the terms and conditions hereof but will be terminated upon 15 day's written notice served by either Lessor or Lessee on the other party.

28. Notice of Intent to Vacate. This paragraph applies only when this agreement is or has become a month-to-month tenancy pursuant to Paragraph 27 or by operation of law. Lessor will advise Lessee of any changes in terms of the tenancy with advance notice of at least 15 days. Changes may include notice of termination, rent adjustments or other reasonable changes in the terms of this agreement.

29. Surrender of Premises. At the expiration of the Lease term, Lessee shall quit and surrender the leased premises, in broom clean condition, in as good state and condition as at the commencement of this Lease, reasonable use and wear thereof and damages by the elements excepted.

30. Default. If any default is made in the payment of rent, or any part thereof, at the times specified above, or if any default is made in the performance of or compliance with any other term or condition hereof, the Lease, at the option of Lessor, will terminate and be forfeited, and Lessor may re-enter the premises and remove all persons therefrom. Lessee will be given written notice of any default or breach, and termination and forfeiture of the lease will not result if, within five days of receipt of such notice, Lessee corrects the default or breach or takes action reasonably likely to effect such correction within a reasonable time.

31. Abandonment. If at any time during the term of this Lease Lessee abandons the demised premises or any part thereof, Lessor may, at its option, enter the demised premises by any means without being liable for any prosecution therefore, and without becoming liable to Lessee for damages or for any payment of any kind whatever, and may, at its discretion, as agent for Lessee, relet the demised premises, or any part thereof, for the whole or any part of the then unexpired term, and may receive rent that would have been payable under this Lease during the balance of the unexpired term, if this Lease had continued in force, and the net rent for such period realized by Lessor by means of such reletting. If Lessor's right of re-entry is exercised following abandonment of the premises by Lessee, then Lessor may consider any personal property belonging to Lessee and left on the premises to also have been abandoned, in which case Lessor may dispose of all such personal property in any manner Lessor deems proper and is hereby relieved of all liability for doing so.

32. Binding Effect. The covenants and conditions herein contained will apply to and bind the heirs, legal representatives, and assigns of the parties hereto, and all covenants are to be construed

as conditions of this Lease.

33. Lessee to Pay Lessor's Costs and Attorneys' Fees if Legal Action is Required. Lessee will pay Lessor's costs and attorneys' fees if legal action is required to evict Lessee, recover possession of the leased premises, collect unpaid rent or collect other damages following Lessee's breach of this Lease.

34. Notices to Lessor. Notices to Lessor may be made by mail to: D2-2 Development Inc., 207 Preston Road, Flourtown, PA 19031; or by telephone/voice mail to Diane Menke at 215.280.4267.

35. Radon Gas Exposure. As required by law, Lessor makes the following disclosure: "Radon gas is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Pennsylvania. Additional information regarding radon and radon testing may be obtained from your county public health unit."

36. Lead Paint Disclosure. "Every purchaser or lessee of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller or lessor of any interest in residential real estate is required to provide the buyer or lessee with any information on lead-based point hazards from risk assessments or inspection in the seller or lessor's possession and notify the buyer or lessee of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase."

37. Severability. If any portion of this Lease is held invalid or unenforceable for any reason, the remaining provisions will continue to be valid and enforceable. If a court finds that any provision of this Lease is invalid or unenforceable, but that by limiting such a provision it would become valid and enforceable, then such provision will be deemed to be written, construed and enforced as so limited.

38. Assignment. This Lease may be not be assigned by Lessee. This Lease may be assigned by Lessor. If the Lease is assigned, Lessee will be notified by Lessor's successor in interest, which will assume all of Lessor's rights and obligations under this Lease.

39. Governing Law. This Lease will be governed, construed and interpreted by, through and under the laws of the Commonwealth of Pennsylvania.

IN WITNESS WHEREOF, the parties, having had reasonable opportunity to review this Lease with counsel of their choice, and with the intent to be legally bound, have executed this Lease the day and year first above written.

Lessor:

D2-2 DEVELOPMENT INC.

Diane Menke
President

Lessee:

By: _____
Signature

[Print name]

By: _____
Signature

[Print name]

By: _____
Signature

[Print name]

RULES AND REGULATIONS

1. The rent is due on the 25th day of the month preceding the first day of each month of the lease. (For example, for the month of February, the rent is due January 25th.) No exceptions. No excuses. A \$50.00 late fee is due for every five business day period or portion thereof after the first day of the month. (So, following the same example, on February 2nd a \$50.00 late fee is assessed. Five business days later, if the rent still hasn't been paid, another \$50.00 late fee is assessed.) The late fee(s) is/are due along with the next month's rent.
2. Do not attach signs, notices, satellite dishes, or advertisements to the leased premises without first checking with Lessor and obtaining permission.
3. No profane, obscene, loud or boisterous language, unseemly behavior or conduct is permitted at the leased premises. Lessee, its family members, and invitees, will not do anything at the leased premises to annoy, harass, embarrass, or inconvenience one another or occupants of adjoining properties. No unlawful activity is permitted in the leased premises.
4. Limit the volume of singing, musical instruments, amplifiers, radios, televisions, and the like to a point that is not objectionable to occupants of adjoining properties.
5. No motor vehicles (e.g., mopeds, motorcycles, etc.) are allowed in the leased premises.
6. Pets are not allowed in the leased premises without Lessee's permission. Please check first.
7. No auxiliary heating or air conditioning or air filtering units are permitted unless Lessor approves them in writing. (This is because we want to approve how they are mounted. They should not simply be balanced on window sills, as this creates a hazard to persons beneath.)
8. Do not attempt to adjust or repair the furnace, stove, refrigerator, dishwasher, or any other equipment furnished by Lessor or part of the leased premises.
9. Do not install awnings, window blinds or window guards without Lessor's prior approval.
10. Do not alter, replace or add locks or bolts, or install other attachments like door knockers, on doors, without Lessor's prior approval.
11. Do not damage the leased premises, the equipment and appliances within it, or the property around it. It is Lessee's responsibility to leave the leased premises in the same condition that it was in when Lessee moved in, except for ordinary wear and tear. If you damage the property, you will be charged for it, and the charge will be added to your rent or deducted from your security deposit.
12. Do not paint or deface the interior or exterior of the leased premises. Do not drive nails, spikes or hooks into the ceiling, walls or woodwork without Lessor's prior approval. If you do, the charge to repair the nail holes will be added to your rent or deducted from your security deposit.
13. Except for the kitchen gas stove supplied by Lessor, no open flames are permitted in the leased premises. That means no candles, incense burners, etc.

14. Dispose of refuse in compliance with municipal waste regulations. Do not place trash on the sidewalk collection area except at designated trash collection times. Use trash cans and lids.

15. Keep the leased premises clean. Food scraps and waste left out will attract pests and vermin. Lessee will be charged for excess pest control visits caused by any unclean condition created by Lessee. Failure to remedy unclean conditions is grounds for termination of the Lease.

16. Lavatories, sinks, toilets, and all water and plumbing apparatuses are to be used only for the purposes for which they were designed and constructed. Do not throw sweepings, rubbish, rags, feminine hygiene products, ashes, or other foreign substances into the plumbing system. Food wastes may be disposed of in the kitchen sink disposer if one is present. Lessee will be charged for repairing damage to and/or unclogging plumbing equipment and plumbing lines caused by disposal of improper materials or other misuse.

17. The washing machine and dryer are for Lessee's use only.

18. These Rules and Regulations may be amended only by Lessor.

ACKNOWLEDGMENT OF RECEIPT OF RULES AND REGULATIONS

Lessee hereby acknowledges receipt of the Rules and Regulations, and acknowledges that Lessee has read them, understands them, and agrees to comply with them.

Lessee:

By: _____
Signature

[Print name]

By: _____
Signature

[Print name]

By: _____
Signature

[Print name]

REPAIR REQUEST FORM

Instructions:

1. Fill out the form legibly and completely.
2. Sign it.
3. Mail it to D2-2 Development Inc., 207 Preston Road, Flourtown, PA 19031.

Date of this request: _____

Property address: 426 Dupont Street, Philadelphia, PA 19128

Describe the problem:

Your name: _____

Phone number where we
can contact you: _____