

Addendum 1 Residential Lease Agreement

Smoke-Free Policy

Smoking is not allowed anywhere on the property, both indoors and outdoors. This prohibition covers all forms of smoking, including the use of medical products.

Rent Payment and Late Fees

Rent payments are due by the stated due date each month. If payment hasn't been made by 5:00 p.m. on the third day of the month, a late fee of \$100.00 will be assessed. Additionally, an extra late fee of \$10.00 will be applied each day after 5:00 p.m. until the rent is paid in full. If rent remains unpaid, a certified fee of \$50.00 will be assessed at 8:00 a.m. on the fourth day of the month to cover the preparation and mailing of certified mail notices for non-payment. If the account proceeds to eviction, the tenant will be responsible for all costs incurred during the eviction process.

Lease Termination by Tenant

To initiate a lease break, the tenant must submit a written thirty (30) day notice to the property manager. If approved, a marketing fee equal to one-half of the monthly rent, but not less than \$500.00, will be charged on the first day of the following month in addition to the regular rent. Marketing of the rental property will begin once the tenant has vacated. The tenant must continue to pay the normal monthly rent until the property is leased to a new tenant or the current lease expires. If a new lease is signed for a lower monthly rent, the tenant will be responsible for paying the difference until the original lease term concludes.

Tenant Information and Legal Reference

Prior to signing the lease, tenants are advised to visit www.1stAmericanAz.com to review the Tenant Information and Tips section, which includes the Arizona Residential Landlord and Tenant Act and Application Criteria.

Lease Expiration and Renewal

Lines 20-25 of the Residential Lease Agreement are amended so that the lease will expire at the end of the stated lease term and will not convert to a month-to-month arrangement. The property manager will notify the tenant in writing at least thirty (30) days prior to lease expiration, either to inform that the lease will not be renewed or to offer a renewal at a revised monthly rate. Lease renewals must be accepted and signed by the tenant at least thirty (30) days before the current lease expires.

Maintenance and Property Responsibilities

Sliding door screens will not be maintained or replaced by management.

Tenants are required to clean or replace HVAC filters monthly.

Tenants are also responsible for maintaining landscaping up to six feet above ground level. If landscaping is not maintained, the property manager will arrange for the necessary work and add the cost to the tenant's next month's rent.

Legal Waivers

In the event of litigation, including Special/Forcible Detainer actions or civil litigation, both resident and management agree to waive their rights to a jury trial and to participation in any class action against the other party.

Animal Policy and Insurance

Tenants with approved animals are strongly urged to maintain rental insurance with a minimum liability limit of \$100,000. Animal waste should be cleaned up every day.

Safety and Alarm Maintenance

If any smoke or carbon monoxide alarm malfunctions, tenants are required by Arizona law to immediately replace the battery. If the alarm continues to malfunction after battery replacement, the tenant must submit a work order through the tenant portal and must not remove the alarm from the property.

Appliance and Equipment Liability

The landlord will not be held liable for food lost due to refrigerator or freezer failure.

HOA and Third-Party Fees

Any fines assessed by third parties, such as the city, county, or Homeowners Association (HOA), for issues like weeds, will be charged to the tenant. The landlord does not provide HOA rules, regulations, or Covenants, Conditions and Restrictions (C, C&Rs). Tenants should contact the relevant HOA for any questions. Generally, refuse containers must be kept out of sight from the roadway. Vehicles with advertising, recreational vehicles, trailers, and watercraft are not permitted on the street or in driveways, and no cars may be parked in the yard. Tenants are responsible for conducting due diligence before signing the lease; lack of due diligence does not constitute grounds for lease cancellation or removal of tenant liability.

Mailbox and Postal Keys

Any fees incurred for post office keys are the responsibility of the tenant. Mailbox keys are typically not provided by the landlord. Tenants must supply the post office with a copy of their lease to obtain new keys for any locked mailbox.

Plumbing Maintenance

Tenants are required to regularly inspect drainpipes under each sink to ensure that fittings are secure and not leaking.

Rental Insurance Recommendation and Liability

While 1st American typically does not require tenant rental insurance, it is strongly recommended that each tenant obtain coverage. Tenants will be held liable for any major property damage they cause.

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Landlord	Tenant(s)