HOUSING AGREEMENT

This Housing Agreement is entered into on Aug 20, 2026, between **SAMPLE HOUSING AGREEMENT ("Resident")** and **CCC-Fort Collins, LLC** ("**Owner**") and is binding only when signed by Owner's agent.

Start Date: August 16, 2027

Unit Type: 1 BEDROOM, 1 BATH

End Date: July 21, 2028

Initial assigned Unit/Bedroom #: TBD

NUMBER OF BEDROOMS:1

Housing Installment Rate **1.00**

Payment Schedule:

12 payments of $1.00 each, due on the dates shown in paragraph 2.

Total Rent: **$12.00**
Administrative Fee: **$200.00** **Security Deposit:** **None**

This Housing Agreement grants a limited license to Resident to access and make personal residential use of one assigned bedroom space (unless multiple bedrooms are expressly listed above, as further described in paragraph 27) in an apartment, cottage or townhome (in either case referred to as an "apartment), together with its standard installed furnishings and fixtures, plus shared use of accompanying unit common areas, fixtures and appliances, where applicable, in the assigned apartment, at the assigned apartment, at the property known as "**The Cottages of Fort Collins**" at 1200 Gold Drive, Fort Collins, CO 80524 (the "**Property**") between the Start Date and End Date listed above. Resident is initially assigned to the bedroom space and apartment identified above (see floor plans available in the management office or at https://cottages-ftcollins.com/ for designation of bedroom spaces); if the space is not immediately identified or assigned, or if it is identified as "TBD," "to be assigned" or "TBA," this Housing Agreement is binding and Owner will assign an apartment and bedroom matching the identified unit type prior to move-in. Only the named Resident may occupy the assigned space. Resident will occupy only the assigned bedroom space and no other bedroom within the apartment. Resident will not allow another person to use a bedroom space or apartment in place of or in addition to Resident, whether for compensation or otherwise, and will not offer to do so through advertising or listings, including, without limitation, through websites such as Airbnb or Vrbo. This Housing Agreement is for one bedroom space and use of the adjoining bathroom (and, if "furniture package" with a corresponding rental rate is selected above, the furnishings included in that package) located within a multiple-bedroom apartment, in which multiple occupants share one common area, fixtures and appliances. Owner will attempt to assign any other bedroom space(s) to person(s) requested by Resident but may contract with others of Owner's choosing for the other space(s) within the apartment, without notice to Resident. If this Housing Agreement is executed by more than one person identified as "Resident," then all obligations are the joint and several obligations of all such persons and "Resident" will refer to all such persons both individually and collectively. **This Housing Agreement includes the terms on the following pages and continues through the numbered paragraphs following the signatures below, including the arbitration provisions contained in paragraph 29. Resident acknowledges receipt of the disclosures regarding radon gas contained in paragraph 30 and the attached brochure published by the Colorado Department of Public Health and Environment that provides advice about Radon in Real Estate Transactions.**

Note: *Resident has provided or will provide to Owner a signed Guaranty by a Guarantor acceptable to Owner; provided that if Resident has not provided such Guaranty by the time that Owner signs this Agreement, then Resident agrees to prepay the final two installments indicated above within seven days after Owner's signature; Owner's acceptance of this prepayment will be deemed a waiver of Resident's obligation to provide a guaranty. This obligation is an element of Resident's performance and not a condition precedent. Failure by Resident to make the prepayment if applicable will not release Resident from financial responsibility but will entitle Owner, at its option, to delay move-in or terminate for non-performance, following written notice.*

I have carefully read, fully understand and voluntarily sign this Housing Agreement. Once fully signed, this is a binding contract and is intended to be enforceable under its terms. I have had the opportunity to seek independent legal advice. I acknowledge that upon execution by Owner (through its authorized agent), this Agreement will be effective and binding upon me and all permitted successors.

ACCEPTANCE OF OWNER:

SEE BELOW FOR ELECTRONIC SIGNATURE
Signature of Resident

CCC-Fort Collins, LLC

By: SEE BELOW FOR ELECTRONIC SIGNATURE
Authorized Agent date

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This Housing Agreement ("Agreement") includes the following terms:

1. **Term**. Resident will have access to the Property and the assigned bedroom space and apartment as of 1:00 pm on the Start Date, and this access will end as of 12:00 Noon on the End Date (the "**Term**"), unless early arrival or late departure is approved by Owner in writing, at additional cost to the Resident.

2. **Payment. The Total Rent stated below is a fixed price for the entire Term and is payable in equal installments for convenience; there is no proration or adjustment for any partial month.** Resident accepts financial responsibility for the full Term of the Housing Agreement, regardless of whether the assigned bedroom space is occupied for the full Term or at all. Resident agrees to make full and prompt payment to Owner according to the payment schedule specified below, without demand of Owner, together with all additional charges or fees applicable under this Housing Agreement. 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 and further reserves the right to require that all payments be made either by credit card or by electronic transfer. 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 the greater of (a) 5% of the amount of such payment or (b) $50, as a late charge if payment of rent is not received within seven calendar days after the date due. (For example, for a payment due on September 1, late fees will be assessed on September 9.) Any additional amounts owed by Resident, including but not limited to late charges, returned check fees, utility charges, damage or replacement costs, and any amount owed by Resident to Owner under a separate agreement, will be considered due without separate notice. 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 $20 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 Cottages of Fort Collins,** 1200 Gold Drive, Fort Collins, CO 80524. Acceptance by Owner of any payment will 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 12% per annum, as allowed by law, from such date through the date of payment in full.

Payment will be due without proration as follows:

1st day of August 2027	$1.00	1st day of February 2028	$1.00
1st day of September 2027	$1.00	1st day of March 2028	$1.00
1st day of October 2027	$1.00	1st day of April 2028	$1.00
1st day of November 2027	$1.00	1st day of May 2028	$1.00
1st day of December 2027	$1.00	1st day of June 2028	$1.00
1st day of January 2028	$1.00	1st day of July 2028	$1.00

3. **Owner; Owner; Agent.** The owner of the Property is CCC-Fort Collins, 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: 1200 Gold Drive, Fort Collins, CO 80524.

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 $350 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 floorplan type carries a lower rate, Resident's charges will be pro-rated and reduced accordingly; if the new Owner-assigned floorplan type 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 will be considered a material breach and may also 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. Except as expressly provided by law, 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 $600 cancellation/re-marketing fee for which Resident will be responsible in

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addition to all other charges provided herein. Resident understands that due to the seasonal nature of student housing, successful mitigation is unlikely; therefore, Resident will be responsible for remaining scheduled rent, subject to potential credit for mitigation as described above; and to the extent permitted by law, Owner may apply any prepaid amounts or account credit balance toward Resident's current and/or next scheduled obligation(s). 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, any required installments or other payments then due (including any Administrative Fee, which is earned and payable upon mutual execution of this Agreement) must be paid in full with cleared funds and guaranty or prepayment requirements satisfied. The application fee (if any) is non-refundable and is not applicable toward any other payments required of Resident under this Agreement. Prior to Resident's 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 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 tenders possession and such delay will not extend or decrease the term or change the End Date. Resident acknowledges that any model apartment at the Property shown to Resident in person, online or through other means is intended to be representative of the general quality and type of construction and materials within apartments. Specific items of décor and furnishings and the actual colors, styles, materials, upholstery and other treatments in the apartment assigned to Resident may vary from those in the model apartment. The actual apartment assigned to Resident may also vary in approximate size, square footage and layout. Resident's apartment will not include custom lighting, lamps, decorations, linens, unattached appliances or other personal property as may be shown in the model apartment.

7. **Utilities; Amenities.** The following utilities are included in the Total Rent set forth in this Agreement: Internet access and trash disposal. Resident will pay in addition to Rent a pro-rata share (based on the number of contracted residents legally in possession for the applicable period) for the apartment's usage of electricity, water/sewer, natural gas, and any other public utility charges (including sanitation, fire service, stormwater drainage or roadway maintenance) billed with respect to Resident's apartment, each applied pro-rata to any partial billing cycle. Water/sewer charges will be calculated by multiplying the submetered consumption of the Resident's apartment by the effective usage rate with applicable taxes, surcharges and fees as charged by the utility provider on the provider's bill. Resident acknowledges that the apartment is directly metered by the utility provider for electricity and natural gas and that residents of the apartment would otherwise be responsible for direct payment for such utility(ies), with one resident named as customer of record and potentially paying a deposit; as a convenience, Resident appoints Owner as agent for receiving the utility bills, remitting payment on Resident's behalf and billing Resident for Resident's share of such utility bills, with Owner's role limited to collection and remittance as agent. Resident's rental rate includes a service fee of $6.00 per rental installment for administration, billing, overhead and similar expenses and charges incurred by Owner for providing utility allocations and billing services. Utility statements will be sent electronically by Owner's billing provider to the e-mail address provided by Resident; Resident may opt out of electronic statements by separately notifying Owner in writing of Resident's preference to receive a paper statement each month by mail. Upon Resident's request, Owner will provide copies of applicable utility bills. To the extent permitted by law, Resident may be billed for the estimated amount of charges for any utility bills anticipated to be received during the final 90 days of the term or after the end of the term of this Agreement, calculated based on historical utility charges for the apartment and pursuant to applicable regulations. As part of each utility bill, Resident may be charged and agrees to pay promptly to Owner any other miscellaneous charges billed by the utility provider and payable by the customer of record (including, without limitation, taxes specifically applicable to such utility charges), plus late payment fees and/or NSF fees, as may be applicable, in the amounts stated in paragraph 2 of this Agreement, as liquidated estimates of costs incurred in connection with the administration and collection of late payment. Owner may elect to use one or more third-party service providers for providing, billing and/or servicing utility accounts; Resident acknowledges that such third-party providers are not utility providers. 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

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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. Management will establish schedules and policies for the use of recreation facilities, amenities and other common spaces. Owner may add, remove, close (temporarily or permanently), upgrade or modify any of the recreation facilities, amenities or common spaces in Owner's discretion, without notice or compensation; provided that if this Agreement expressly includes a separate Amenity Fee, Resident's sole remedy will be limited to a pro-rata credit of such Amenity Fee for the period a covered amenity is closed or fully unavailable.

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 $250,000 per occurrence at actual replacement cost, covering Owner's losses of any kind (both inside and outside the rented premises) arising from fire, explosion, smoke or water and caused accidentally by Resident's negligence and/or by an animal (each a "Covered Loss"). 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, except to the extent Owner charges and Resident pays for a waiver of this insurance requirement as provided below. Resident is not obligated to purchase insurance from any specific 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, by mailing the proof of insurance to P.O. Box 18999, Atlanta, GA 31126 1399. 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 or chooses not to provide sufficient proof of compliant personal liability insurance to Owner by the Start Date, or if Resident's insurance is cancelled during the term of this Housing Agreement, then Owner may, at its option, waive Resident's obligation to provide such insurance for Covered Losses; in such case, (a) Resident agrees to pay as consideration for this waiver up to $19.95 per installment as additional Rent during the remaining term of this Agreement, of which Owner would retain up to $5.00 per installment as an administrative fee and use the remaining portion to procure similar insurance for itself, and (b) for each Covered Loss which is actually covered by such insurance, Resident will be responsible only for any expense over $250,000. This waiver is not insurance, does not release Resident from liability for other damage or causes and does not cover Resident's personal property. Owner 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. If there are multiple individuals comprising Resident, then all references to and obligations of Resident in this paragraph 8 will apply to each such individual, separately.

9. **Responsibility for Damage. Resident is solely responsible for any damage, defacement or loss arising within the assigned bedroom space. All assigned residents of an apartment are jointly and severally responsible for any damage, defacement or loss to common areas, other parts of the Property, fixtures or appliances, except where it is finally established that Resident or one or more other residents of the apartment were solely at fault for the entire loss, in which case such person(s) will be solely responsible.** Resident is fully responsible for the conduct of Resident's 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 and illegal drugs of any kind are strictly prohibited anywhere on or about the Property, including within individual apartments and bedroom spaces and in community and parking areas (except government-issued service weapons carried by duly deputized law enforcement personnel). Discharging a firearm or displaying or possessing any weapon in a way that may threaten or alarm others, is prohibited anywhere at the Property. 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 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

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and enjoyment of the Property by other residents; and (j) otherwise obey the Community Policies and other rules 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 applicable charges continuing to come 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, to cooperate with Owner's efforts to provide a clean and welcoming environment for incoming residents of Resident's apartment if Resident occupies a multi-bedroom apartment or a double-occupancy bedspace, and to cooperate fully with the Property pest control program as requested. Without limiting the generality of the foregoing, Resident agrees: (a) to place all garbage, food waste, recyclables, and other refuse in proper containers and to remove them regularly; (b) not to allow any accumulation of trash or waste that could attract pests; (c) to keep floors, countertops, sinks, toilets, showers, appliances and other surfaces free of dirt, grime, mold, sticky substances, excessive dust and persistent or offensive odors; (d) to keep the kitchen and bathroom(s) free of excessive build-up of soiling, moisture or mildew; and (e) not to allow the accumulation of personal items that block hallways, doorways, windows or free access or ventilation. 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 are below 40 degrees Fahrenheit, Resident will keep the apartment's heat turned on to prevent frozen or burst pipes, including during vacations. 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 to perform routine maintenance, inspections, showings and other ordinary functions, provided that Owner will provide 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; Mobility Devices; Pets.** The bedroom space and apartment may be used solely for private residential purposes and for 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. Resident may not place any mobility device in or adjacent to any indoor area at the Property, and may not connect any such device or vehicle to a Property electrical outlet except a designed electric vehicle charging station which may be made available in Owner's discretion. 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 registration fee and pet rent as provided in the Pet Addendum; 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 policy will subject Resident to deep-cleaning and daily administration fees in Owner's discretion and may be considered as a termination of this Housing Agreement by Resident.

13. **Guests; Occupancy Limits.** No more than one person may occupy a bedroom space, except for minor children for whom the Resident is the parent or legal guardian with Owner's consent and with consent of apartment-mates as applicable. 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.** Owner grants to Resident a non-exclusive, undivided limited permit to use one non-reserved parking spot at any time in the Property's parking lot (or, if "covered parking" is selected on page 1 above with a corresponding rental rate, in the covered section of the Property's parking lot), 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 facilities over marked driveways. The parked vehicle 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 and irrevocably waives, on behalf of Resident and the vehicle owner, any right of subrogation against Owner, Manager and their employees with respect to any loss or damage to vehicles or contents. 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.

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15. **Smoking.** Smoking or vaping, or burning candles or incense, inside any apartment, hallway, elevator, breezeway, stairwell, balcony, patio or other indoor or adjacent area by Resident or his or her guest(s) 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, carpeting or other portions of the premises, a persistent odor in the apartment that necessitates ductwork cleaning or the removal of carpeting 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 deep-cleaning fee as identified in the Community Policies, 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, in its sole discretion.

(b) In the case of a malfunction of any utilities or damage by fire, water or similar cause, or any water leak, suspected mold or microbial growth, electrical problem, broken glass, broken lock or any other condition that Resident reasonably believes poses a 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 https://cottages-ftcollins.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/or 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 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, illness 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

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negligence or by breach of any express or implied warranty, all except solely to the extent of Owner's liability expressly arising under applicable law and to the extent such liability may not be waived or released under law. 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 as allowed by law, 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 safety, health or security measures at 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 will 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.

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. The parties mutually agree that Resident's tenancy and right of occupancy will end automatically on the End Date and that this provision constitutes notice of termination on 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 an administrative fee in the amount of $300.00 plus 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 as allowed by law. In no event after termination or expiration of this Agreement will it be deemed to be renewed or extended.

23. **Renewal of Residency**. If this Housing Agreement is a renewal of Resident's residency at the Property to follow the expiration of another valid agreement with an End Date that is no more than one day earlier than the Start Date of this Housing Agreement, then: (a) the Start Date of this Housing Agreement will be deemed to take place simultaneously with the expiration of the prior agreement, so that this Housing Agreement begins immediately upon the expiration of the term of the prior agreement; (b) if Resident is assigned by Owner to a different apartment or bedroom for the new term under this Housing Agreement, Resident agrees to relocate promptly to the newly assigned space and to relinquish occupancy of the prior space on the date specified by Owner; and (c) without limiting the generality of Resident's obligations under paragraph 11, Resident will be responsible (jointly and severally with any other renewing residents of Resident's apartment then in legal possession) for any costs incurred by Owner should Owner be required due to Resident's incomplete cleaning, damage or other use to repeat any make-ready work, move-in preparations or improvements with respect to any apartment-mate move-in occurring within 14 days after Owner's initial completion of such work, preparations or improvements.

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 has not elected 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

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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.

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. **Multiple Bedroom Spaces.** If this Housing Agreement expressly identifies more than one bedroom space in a multi-bedroom apartment as assigned to Resident on page 1, then: (a) references to a "space" or "spaces" will be deemed to refer to all of the spaces assigned to Resident, or to the entire apartment if all of the bedrooms in an apartment are assigned to Resident; and (b) if Resident is assigned fewer than all of the bedroom spaces in an apartment, use of common areas will continue to be shared with other residents of the apartment and any calculation of Resident's share of any charges assessed pro rata to all residents of an apartment will be made by dividing the number of bedroom spaces assigned to Resident by the total number of occupied bedroom spaces within the apartment.

28. **Credit Building/Reporting; Fee; Opt-Out**. Unless Resident elects to opt out of participation, Owner will arrange Resident's participation with a third-party credit reporting and financial tool (currently provided by Simplified Business Group, LLC d/b/a Rent Dynamics) to report Resident's positive rent and/or utility payments to one or more consumer reporting agencies (e.g., Equifax, TransUnion and/or Experian) for Resident's benefit, with the goal of assisting in building a positive credit history, and Resident hereby consents to such credit reporting. Resident will pay Owner a non-refundable fee of $8.95 per each rent installment (per adult resident) coming due under the Agreement when this service is provided, as an element of Rent. Participation is optional and is not a condition of this Agreement. Resident may opt out of participation and further fees at any time prior to or during the term of the Agreement using any of the following methods: e-mailing support@rentplus.com, or calling 855-388-5314, or at https://my.rentplus.com/cancel-link following move-in, or by sending a written opt-out request c/o The Scion Group, 401 N. Michigan Avenue, Ste. 400, Chicago IL 60611. Resident's opt-out will become effective 10 days following receipt. Opting out of participation in this positive credit-reporting program does not affect the rights of Owner and its collection agent to engage in consumer credit reporting regarding any unpaid account balance. Terms of the credit reporting service apply; current terms are available at https://www.rentplus.com/terms-of-use/ and may be revised from time to time (including a change in the provider of such service) following 30 days written notice to Resident; if Resident does not opt out of participation within that time, Resident will be deemed to have agreed to the new or updated terms.

29. **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. Any arbitration will be conducted pursuant to the applicable rules (the "Arbitration Rules") of the American Arbitration Association, as modified herein, to the extent such modifications are not prohibited by the Arbitration Rules. The arbitration will be conducted in Denver, Colorado. 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 parties will use best efforts to conclude arbitration 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) Matters Excluded from Arbitration. The following matters will not be subject to arbitration but will instead be adjudicated in the courts of Larimer County, Colorado 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 or to enforce intellectual property rights; (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 (as determined by a binding court decision) or the applicable arbitration rules do not permit arbitration and require 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. The parties agree that if any claim brought in court arises out of an underlying dispute that is subject to arbitration, at either party's request the judicial action will be

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stayed pending completion of the 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, 401 N. Michigan Ave., Suite 400, Chicago IL 60611. If Resident timely opts out, paragraphs 29(a), (b), (c) and (f) will not apply.

(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 Colorado with respect to contracts made or events occurring therein. 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, to the extent permitted by applicable law.

(f) Class, Collective and Representative Action Waiver THE PARTIES AGREE THAT COVERED CLAIMS WILL, AT EITHER PARTY'S ELECTION, ONLY BE ARBITRATED ON AN INDIVIDUAL BASIS AND THAT EACH WAIVES THE RIGHT TO PARTICIPATE IN OR RECEIVE COMPENSATION FROM ANY CLASS, COLLECTIVE OR REPRESENTATIVE PROCEEDING. NO PARTY MAY BRING A CLAIM ON BEHALF OF OTHER INDIVIDUALS; ANY ARBITRATOR HEARING A COVERED CLAIM MAY NOT COMBINE MORE THAN ONE INDIVIDUAL'S CLAIM OR CLAIMS INTO A SINGLE CASE OR TO ARBITRATE ANY FORM OF A CLASS, COLLECTIVE OR REPRESENTATIVE PROCEEDING. SHOULD ANY PORTION OF THE FOREGOING WAIVER BE FOUND INVALID, THE REMAINING PORTION THAT IS VALID WILL BE ENFORCED TO THE FULLEST EXTENT ALLOWED BY APPLICABLE LAW.

(g) **Intentionally omitted.**

(h) Severability and Survival. To the extent any provision of this paragraph 29 is found to be unenforceable, it will be severed so the parties' intent to arbitrate will survive and arbitration will proceed without such provision. All of the terms and provisions of this paragraph 29 will survive the termination or expiration of this Agreement.

30. 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). Resident may have special statutory rights to terminate this Agreement early in certain situations involving military deployment or transfer, family violence, sexual assault or sexual abuse. 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. 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.

31. Specific Provisions and Notices.

THE COLORADO DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT STRONGLY RECOMMENDS THAT ALL TENANTS HAVE AN INDOOR RADON TEST PERFORMED BEFORE LEASING RESIDENTIAL REAL PROPERTY AND RECOMMENDS HAVING THE RADON LEVELS MITIGATED IF ELEVATED RADON CONCENTRATIONS ARE FOUND. ELEVATED RADON CONCENTRATIONS CAN BE REDUCED BY A RADON MITIGATION PROFESSIONAL. RESIDENTIAL REAL PROPERTY MAY PRESENT EXPOSURE TO DANGEROUS LEVELS OF INDOOR RADON GAS THAT MAY PLACE THE OCCUPANTS AT RISK OF DEVELOPING RADON-INDUCED LUNG CANCER. RADON, A CLASS A HUMAN CARCINOGEN, IS THE LEADING CAUSE OF LUNG CANCER IN NONSMOKERS AND THE SECOND LEADING CAUSE OF LUNG CANCER OVERALL. A LANDLORD IS REQUIRED TO PROVIDE THE TENANT WITH ANY KNOWN INFORMATION ON RADON TEST RESULTS OF THE RESIDENTIAL REAL PROPERTY. Owner has no knowledge of the presence or the concentrations of Radon at the Property. Attached to this Agreement is a copy of the most recent brochure published by the Colorado Department of Public Health and Environment that provides advice about Radon in Real Estate Transactions.

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[signatures on page 1]

RADON and REAL ESTATE TRANSACTIONS in Colorado

November 2022

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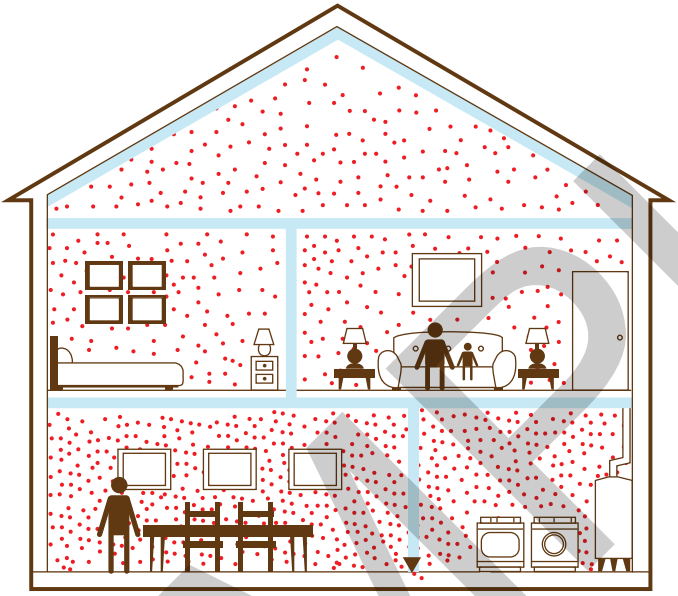
More often, informed buyers are having radon tests performed when purchasing a home. Discovering elevated radon concentrations doesn't mean you need to walk away from the deal! Testing for and mitigating radon is easy and affordable.



RADON IS AN INVISIBLE, RADIOACTIVE GAS

Understanding Radon

RADON OCCURS NATURALLY

Radon is an invisible, radioactive gas created from natural deposits of uranium and radium in the soil. Radon is easily drawn into homes through cracks and gaps in the foundation and can reach concentrations that increase the potential for developing lung cancer.

Although there are rare cases where radon comes from building materials, the major source of radon in Colorado homes comes from natural deposits of uranium and radium commonly found in Colorado's soil. It is rarely caused by mankind like other environmental concerns.

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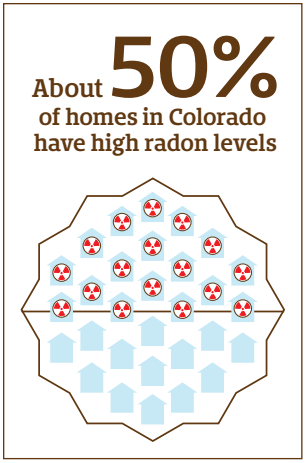


RADON LEVELS ARE HIGH IN COLORADO

Data collected by the Colorado Department of Public Health and Environment indicates that approximately 50% of homes in Colorado have radon levels higher than the U.S. Environmental Protection Agency (EPA)-recommended action level of 4 picocuries per liter of air (pCi/L). All of Colorado – not just the mountains or foothills – is considered to be at high risk for elevated indoor radon levels.

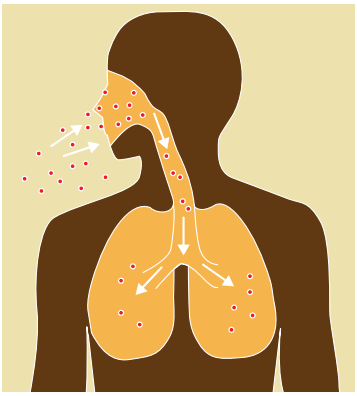
Radon levels can be elevated in a variety of structures, including:

- New and old homes.
- Homes built on all types of foundations, including slab-on-grade, crawlspaces, and basements.

RADON EXPOSURE CAUSES LUNG CANCER

As uranium and radium breaks down in the soil, radon gas is created. Radon is then pulled into homes by a natural stack effect, releasing solid radioactive particles that can be inhaled into your lungs. These particles are referred to as radon decay products. This radiation can damage your lungs and increase your risk of developing lung cancer.

Residential case-control studies, as well as carefully controlled studies on animals and miners, have shown that prolonged exposure to radon decay products can significantly increase a person's potential for lung cancer.



- Radon is a Class A carcinogen; that is, it is known to cause cancer in humans with prolonged exposure. It is in the same class as tobacco products.

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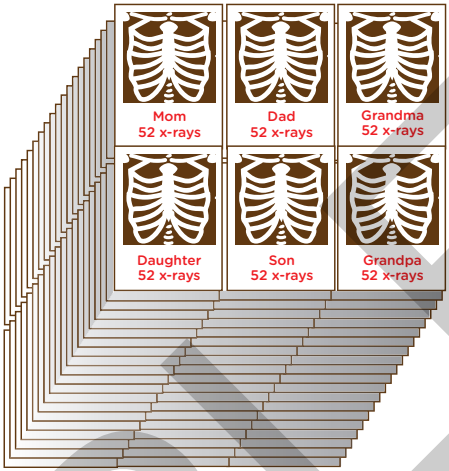
- The average indoor radon level in the U.S. is about 1.3 pCi/L in air. In Colorado, the average indoor radon level is about 6.4 pCi/L. Living in a home with average levels of radon in Colorado for 1 year is like having more than 200 chest x-rays every year. That's more than 3 chest x-rays per week, per person, per year.



- The United States Surgeon General, the American Lung Association, and the Environmental Protection Agency recommend that people avoid long-term radon exposure at or above 4 pCi/L.

- Every year in the U.S., over 20,000 people die from radon-induced lung cancer. In Colorado, approximately 500 people die annually from radon-induced lung cancer. Long-term residential radon exposure is the second leading cause of lung cancer in the general population (cigarette smoking is the first).

(Field, R. William. 'A Review of Residential Radon Case-Control Epidemiologic Studies Performed in the United States.' Reviews on Environmental Health 16.3 (2001): 151-67. Print.)

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Real Estate Transaction Requirements

RADON DISCLOSURE IS REQUIRED IN COLORADO REAL ESTATE TRANSACTIONS

Section N of the Environmental Conditions portion of the Colorado Seller's Property Disclosure Form specifically lists radon as a hazard that, if known by the seller to exist or ever have existed, must be disclosed. This is true even if previous test results were less than 4 pCi/L. In all cases, sellers should provide copies of any test results to potential buyers. If a radon mitigation system exists, it should also be disclosed, as it is presumed that radon had existed previously, and that if the system were to fail, the radon level would return to its original level.

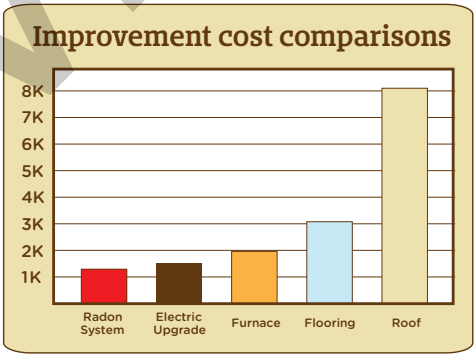
SPD19-6-17. SELLER'S PROPERTY DISCLOSURE (RESIDENTIAL)

N.	**ENVIRONMENTAL CONDITIONS** If you know of any of the following **EVER EXISTING** on any part of the Property check the "Yes" column:	**Yes**	**Comments**
1	Hazardous materials on the Property, such as radioactive, toxic, or biohazardous materials, asbestos, pesticides, herbicides, wastewater sludge, radon, methane, mill tailings, solvents or petroleum products	☐	

Radon section on Seller's Property Disclosure document

RADON LEVELS CAN BE FIXED

If radon concerns are discovered during the home inspection process, they can be fixed through mitigation. Normal real estate negotiation procedures can be used to resolve the costs associated with radon mitigation.



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Testing

TEST FOR RADON DURING THE INSPECTION PROCESS

At the time of resale, it is important to know what the radon exposure risk could be, independent of how someone else operates or lives in a home. Reliable testing devices and methods exist and are readily available to determine indoor radon levels.

SELECT CERTIFIED AND LICENSED RADON CONTRACTORS

Lists of these individuals can be found at www.coloradoradon.info under the "testing and mitigating your home" link. Certified contractors have been trained in the proper placement of radon measurement devices and the interpretation of the results. They use high-quality testing devices that can accurately determine the radon risk of the home.

Follow these steps to ensure that your new home will keep your family safe and healthy for years to come:

1. Find the house you want to buy.

2. As part of the home inspection process, request a short-term radon test using a certified and licensed radon measurement contractor. Your home inspector may or may not be qualified to conduct radon testing.

3. If the short-term test result is less than 4 pCi/L, the EPA does not recommend any immediate action; however, consider conducting a long-term test (90 days up to a year) after your family moves into the home, as there is still some risk at exposures less than 4 pCi/L.

4. If the short-term test result is 4 pCi/L or higher, consider asking the seller to pay for a mitigation system. The seller is not legally required to pay for mitigation; this is a negotiation between the buyer and seller, just like any other home repair.

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You can consider purchasing the property and reducing the radon levels after moving into the home. All homes can be fixed!

5 Once you decide to install a mitigation system in the house, seek bids from certified and licensed mitigation contractors who are willing to guarantee the results to below 4 pCi/L. A

6 Use bids from certified contractors as a basis for negotiations with the seller.

7 If the seller is willing to pay for a mitigation system, work with your real estate professional to determine the best way to obtain the funding from the seller and have the system installed by a certified and licensed contractor after taking possession of the property. This will help to ensure that you are happy with the system design.

TESTING TYPES, PURPOSE, AND CONDITIONS

Potential for Radon Exposure

- Short-term test, typically 2-5 days.
- Conduct test under closed-house conditions 12 hours prior to start of test and throughout test.
- Test lowest potentially livable level of home, even if it is unfinished.
- Commonly used at time of resale.

Risk of Exposure Living in Home

- Long-term test, typically 91 days up to 1 year.
- Conduct test under normal day-to-day living conditions.
- Test lowest potentially livable level of home, even if it is unfinished.
- Commonly used outside of a real estate transaction or as a basis of escrow fund release.

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IF YOU LOVE THE HOUSE, BUY IT

Buyers should not be reluctant to buy a home with elevated radon levels. They should take action to reduce radon after they move in. If the radon test results show a potential radon concern, consider doing a long-term test after you move in and before you install a radon mitigation system.

The amount of radon exposure you have depends on where you spend your time. Doing a long-term test after you move in allows you to control the test conditions to better measure your actual radon exposure. If needed, you can then decide with your certified and licensed contractor about the need for mitigation. A long-term test should be placed for a minimum of 91 days up to 1 year after you move into the home.

Mitigation

REDUCING RADON IS EASY AND INEXPENSIVE

Considerable research has been conducted by educational institutions and private industries in Colorado and elsewhere that provides evidence-based practices for mitigating radon in homes, schools, and commercial buildings. The techniques are straightforward and reliable.

However, mitigation requires more than trying to seal openings in the foundation. In fact, caulking and sealing of foundation openings, on its own, has proven NOT to be a suitable method for reducing radon levels.

Mitigation should be done by a certified and licensed contractor who will install the system according to Radon Mitigation Standards and local building codes. A list of certified and licensed radon mitigation contractors is available at www.coloradoradon.info.

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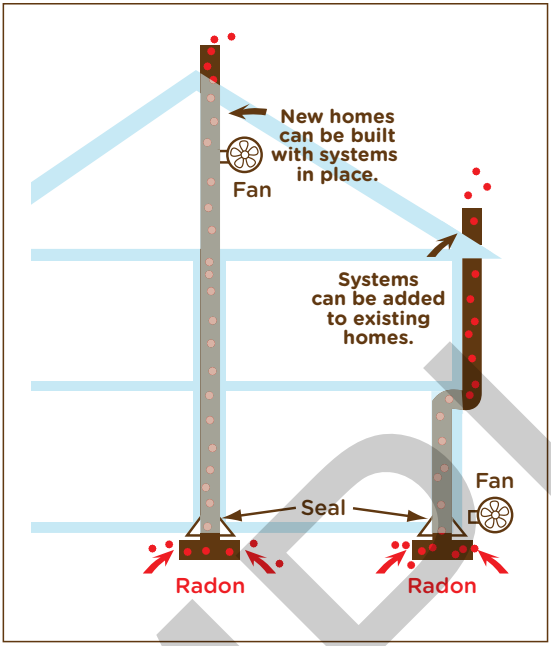


Mitigation Systems

Radon systems are designed and installed based on the construction of a home, not on the existing radon levels. Radon is mitigated when a system is installed that pulls radon-laden soil gas from underneath the foundation or crawlspace and exhausts it outside of the building, far enough away from windows and other openings that it will not re-enter the home.

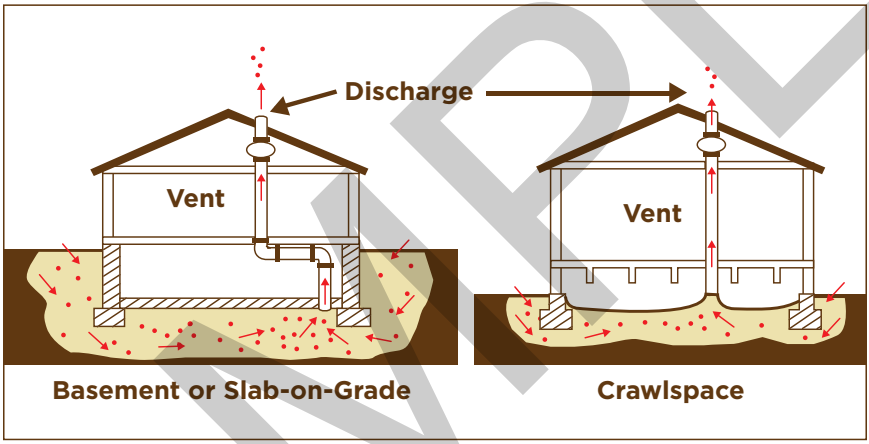
A mitigation system usually consists of plastic pipe connected to an air pocket surrounded by the soil, either through a hole in the slab, via a sump lid connection, in a perimeter drain, or from beneath a plastic sheet in a crawl space. A quiet, continuously operating fan is attached to the pipe and discharges the radon outdoors.

SAMPLE

A home with more than one foundation can present challenges to collecting the soil gas from under all portions of the building. However, qualified mitigation contractors typically can connect multiple systems together so that only one fan is required.

Crawlspace Systems

For crawlspace mitigation systems, contractors need to lay perforated pipe, install plastic sheeting over the piping, seal it to the walls, and then route the piping to the fan. These systems can be more costly; however, the added benefit of reducing moisture in the crawlspace, in addition to reducing radon, can be a significant benefit.



Costs

It's best to get involved in how the radon mitigation system will be installed if you will be the future occupant of the property. Costs depend on the amount of effort it takes the contractor to conceal the system and maintain the visual appeal of the home. Although a system routed up the outside of the building will reduce radon quite well, it may not be as visually appealing as one that is routed through the interior of the home.

SAMPLE

Average U.S. installation cost: $1,500

Average operating cost in Colorado: $3/month

Expected life span of fan: 8-10 years

Fan replacement cost: $145-$300

Periodic maintenance: Test every 2 years

Key Elements of Mitigation Systems

U.S. EPA recommends standards for radon mitigation systems. Your qualified contractor should understand and follow these standards. standards.aarst.org

1 The discharge point of the system must:
Be at least 10 feet above grade;
Be at least 10 feet away or 2 feet above any opening to the interior of the home; AND
Terminate above the eave of the roof.

2 System fans should not be located inside a home, building, or in a crawlspace. They can be in an attic, on the outside of the house, or in the garage (provided there is no living space above the garage).

3 There should be a gauge (manometer) located in a prominent location (inside the home) that will easily show the occupant that the system is functioning properly.

4 Power to the fan should be run in accordance with local electric codes, including permits where required.

5 All portions of the system should be labeled and a simple instruction manual, with warranties, provided to the homeowner.

SAMPLE

6 All homes with mitigation systems should be retested no sooner than 24 hours (no later than 30 days) after installation to verify radon mitigation is working and has lowered radon levels to below 4 pCi/L. The home should be retested every two years to make sure the mitigation system is operating properly.

7 If purchasing a home or building with an existing radon mitigation system, it should be tested prior to purchase and every two years to confirm it's working properly.

SELECT CERTIFIED AND LICENSED RADON MITIGATION CONTRACTORS

Lists of these individuals can be found at www.coloradoradon.info under the "testing and mitigating your home" link.

In addition to contractor selection, homeowners should always:

1 Ask for references.

2 Get several bids, as with any home repair.

3 Require proof of certification and licensure.

4 Ask for proof of liability insurance, being bonded, and having all necessary licenses to satisfy local requirements.

5 Ask for a clear contract with a guarantee below 4 pCi/L and a warranty.

ASK FOR A RADON MITIGATION SYSTEM IN NEW HOMES

A considerable number of Colorado homebuilders routinely put mitigation systems in homes during the building process. In many locations in Colorado, local building codes require that a radon system be installed in all new homes. Check with your local building department. In areas where it is not a building code requirement, it may be offered as an additional option by the builder.

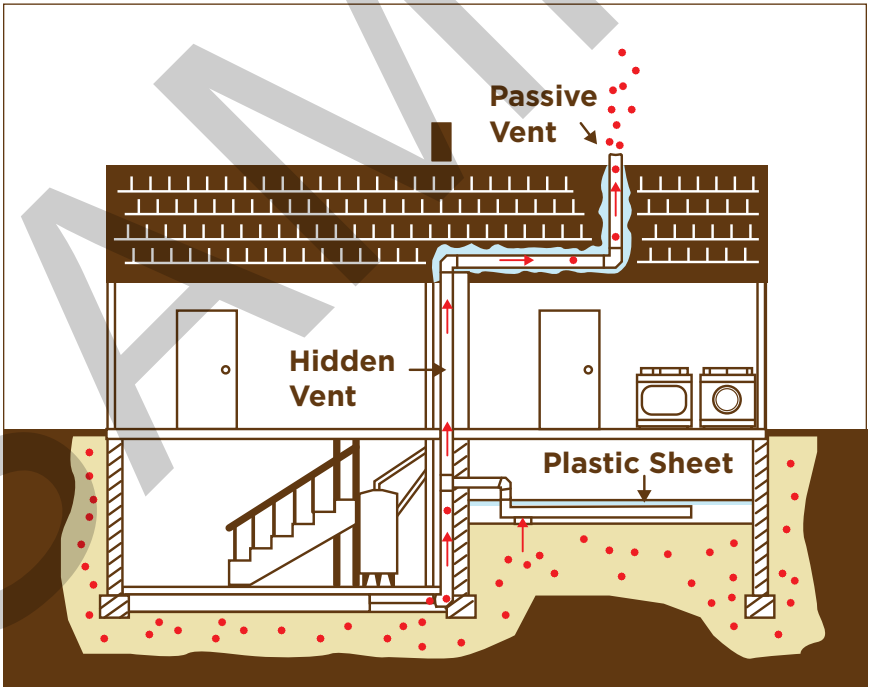
SAMPLE

If you're building a new home:

- Ask your builder to install a radon system during construction.
- Test the home or building after completion to ensure it reduces the radon levels below 4 pCi/l.

Installing a system while a house or building is being constructed can be advantageous because:

- The piping can be easily concealed.
- The vent pipe can exit the roof and appear as a normal roof penetration.
- The sub-grade can be prepared to collect radon easily.
- Multiple foundations (such as in a basement and a crawl space) can be hooked up to a single vent, which also can be concealed in walls.
- When done correctly, the system often works passively, without the need of a fan. (A contractor will route the system vent pipe in such a manner that after the home is tested, if the radon levels are not acceptable, a fan can easily be installed on the vent pipe within the attic to make the system more effective.)



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Radon in Water

RADON FROM GROUNDWATER IS A LOW RISK

Radon can dissolve in the groundwater and be released into the air of a home when it is used for showers, laundry, and other purposes. Radon in water is not widespread and is primarily an issue with homes whose water supplies are from private wells that use groundwater.

The major concern is not with drinking the water, but rather the increased amount of radon added into the indoor air in addition to radon coming from the soil. Normal radon-in-air tests will measure this contribution if the house is occupied during testing. It takes a lot of radon in the water to have a measurable effect on indoor radon concentrations. As a rule, it takes 10,000 pCi/L in the water to add 1 pCi/L of radon to the air in the home. Always test the air first before testing or becoming concerned about radon in the water.

Radon in water test kits may be purchased online or at most home improvement stores. For a list of contractors who mitigate radon in water, refer to www.coloradoradon.info.

SAMPLE

Find Out More

ADDITIONAL INFORMATION ABOUT RADON IS AVAILABLE AT:

Colorado Department of Public Health and Environment
www.coloradoradon.info

United States Environmental Protection Agency
www.epa.gov/radon

Your local health department
https://cdphe.colorado.gov/public-information/find-your-local-public-health-agency

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COLORADO

Hazardous Materials & Waste Management Division

Department of Public Health & Environment

4300 Cherry Creek Drive South
Denver, CO 80246-1530
1-800-846-3986

www.coloradoradon.info

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