

TERMS OF APPLICATION AGREEMENT



The following Application Agreement will be signed by all applicants prior to applying and signing a lease contract. While some of the information below may not yet be applicable to your situation, there are some provisions that may become applicable prior to signing a lease contract. In order to continue with this online application, you'll need to review the Application Agreement carefully and acknowledge that you accept its terms.

USE APPROVAL:

Only where applicable, this contract is subject to and contingent upon the prospective tenant(s) being approved to use the premises based on the local zoning board if attempting to lease a location outside of its normal or already zoned purpose. The prospective Tenant(s) will pay any non-refundable fee required by the local zoning board and make application for approval within 21 days from the effective date of this contract. Occupancy shall not be permitted prior to zoning approval. In the event the prospective Tenant(s) are not approved by the zoning board and/or Berenguer & Associates, this contract will terminate and any rents and/or security deposits paid will be refunded to the prospective Tenant(s). Refunds are subject to applicant(s) funds having cleared our bank account. The non-refundable application fees paid to the zoning board and to Berenguer & Associates are not refundable under any circumstance.

AUTHORIZATION:

I (we) affirm that the information contained in the rental application to lease to be true and correct. I (we) agree that Berenguer & Associates may terminate any agreement entered into (including the lease) in reliance on any misstatement made in the application. I (we) agree and affirm that Berenguer & Associates may question and seek information from all person and/or firms named by us in this application and contract to lease, and further authorize Berenguer & Associates to acquire my (our) credit reports and criminal background check from any authorized credit agency. I (we) agree that acceptance of this application is conditional upon a credit check and other verifications that are satisfactory to Berenguer & Associates.

FAILURE TO PERFORM:

I (we) agree to enter a lease for the premises upon the terms outlined above. I (we) agree that I (we) have toured or video-toured and previewed or waive my (our) right to tour the property and that I (we) are accepting it in "AS IS" condition, unless otherwise noted. If I (we) refuse to enter into the Berenguer & Associates' lease within 3 business days of notification of approval, AND/OR if occupancy is not taken by me (us) on or before the occupancy date indicated, then Berenguer & Associates may rent or lease the property to another party and all deposits and application fees paid herewith shall be forfeited by the prospective Tenant(s) and retained by Berenguer & Associates as liquidated damages.

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LEASE PROCESS AND APPLICATION PROCEDURE:

I/we do hereby acknowledge the "Lease Process and Application Procedures" and that I/we understand and agree to the terms of application and lease process. I/we have read and agreed to all pages of this application package and have submitted them with this application for consideration by Berenguer & Associates.

APPLICATION PROCESSING AND TIME FRAME:

- If fully completed, and provided with accurate information for your current and/or previous landlords, we can usually process your application in 1-2 business days. We pledge to process your application, whenever possible, during the same day that you apply. In some cases, approval of local zoning boards, property owners, or unforeseen circumstances may require some applications to take longer.
- You will be contacted immediately upon determination of approval or denial. All principals must be named and must submit a fully completed, dated and signed lease application and application fee.
- No property will be held vacant for more than four (4) weeks, unless approved by Berenguer & Associates.

COST:

- If you decide to apply to lease one of our properties, there is a non-refundable application fee of \$75 per adult/principal that must be submitted with your application. Incomplete applications or applications submitted with obvious conflicts will not be processed.
- Some Local Zoning Boards or Business Associations may require a separate application and fees and if such is the case, you must also apply separately to such local zoning board or business association and remit whatever other application fee may be required.

THE APPLICATION PROCESS:

- Upon receipt of your lease application and application fee, you can expect and hereby authorize that we will (1) check your credit report; and (2) check the public records for any past evictions; and (3) verify your income; and (5) do a criminal background check. If you have bad credit, bad references, have ever been evicted in the past or have within the last 7 years any felonies of illegal manufacture or distribution of a controlled substance, felonies resulting in bodily harm or intentional damage or destruction of property for example, "arson", you will either be declined or may be required to post an additional security deposit as a part of your approval. Sexual related offenses for any time-period will be declined.
- Once you have been notified of your approval, you must place, at a minimum, a holding deposit (by online payment, cashier's check, or money order) equal to at least one month's rent, within three business days of your approval notification. Once approved and payment of the holding deposit is paid and you have successfully taken possession of the property, your holding deposit will then become your security deposit and is refundable as per the Security Deposit criteria in

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your lease. In the event you fail to enter into the lease agreement or refuse to take possession of the property on or before your applied date for move-in, your holding deposit shall be forfeited as liquidated damages. Due to the high demand for commercial spaces, we will not hold the property you applied for off the lease market for more than three business days after your application has been approved unless you provide the required holding deposit.

- All applicants are recommended to see interior of the property before an application is submitted. The property must be accepted in "AS IS" condition before an application can be accepted, except where there is written agreement for maintenance or repair items. Any such maintenance or repair request (if any) must be written and submitted along with your application either by uploading it and attaching it to your application or by submitting it via email along with your application to FutureTenantSupport@BerenguerRealty.com. If your maintenance and repair request are acceptable to Berenguer & Associates, then that agreement will be written as a stipulation to the lease or submitted as a lease addendum. Verbal representations are non-binding. In the event Berenguer & Associates should receive two or more unrelated applications for the same property prior to approving or accepting either, the applicant understands that Berenguer & Associates may select the applicant desiring the property in "AS IS" condition, over another applicant requesting maintenance or repairs.

TENANT SELECTION CRITERIA:

(INFORMATION BELOW MUST BE VERIFIED AGAINST CRITERIA BEING USED BY SCREENING COMPANY).

To qualify for the advertised security deposit amount you must meet the following criteria. If your credit, tenant history or income does not qualify, you may still be approved but at a higher security deposit amount + increased risk mitigation admin fee:

- Applicants must have a combined gross income of at least three (3) times the monthly rent. Incomes must be verified in writing, applicant may provide recent pay stubs or business financials. A minimum of two year's business history is required. Leasing history must be rated satisfactory or better, with no record of evictions. Credit history and/or Civil Court Records must not contain landlord judgments, eviction filings, landlord collections, or liens. We will not provide you with the credit report or tell you of its contents; however, we will provide you with the name of the credit reporting agency so you may receive a copy from the credit bureau. All information collected for the approval or denial of this application is considered confidential in nature and for company use only.

CONTINGENT APPROVAL FEES - CREDIT SCORE BASED

All lease transactions involve risk. To mitigate this risk for both landlord and tenant, Berenguer & Associates records move-in and move-out conditions of properties before and after each tenancy, ending most security deposit claim disputes before they begin. Offering an approval based upon total

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credit score below a 650 comes with even more inherent risk to the landlord and property manager. An approval can be offered even to tenants with less than perfect credit if they can pay the additional non-refundable fee associated with their credit scores to offset the risk involved.

RISK MITIGATION ADMIN FEES FOR APPLICANTS:

Credit Score (All Adults)	Fee Due
720-850	1st Month Rent + Security Deposit* *some properties are subject to additional last month pre-paid rent regardless of credit score due to owner's request
650-719	1st Month Rent + Last Month Pre-Paid Rent + Security Deposit
620-649	1st Month Rent + Last Month Pre-Paid Rent + Security Deposit + \$500 Fee
600-619	1st Month Rent + Last Month Pre-Paid Rent + Security Deposit + \$750 Fee
550-599	1st Month Rent + Last Month Pre-Paid Rent + Security Deposit + \$1000 Fee
500-549	1st Month Rent + Last Month Pre-Paid Rent + Security Deposit + \$1500 Fee
Any Score Under 500	Declined

No FICO Score: Applicants who do not have a FICO score may be assigned a score of 500 for the purposes of determining their risk mitigation fee

- Self-employed applicants may be required to produce upon request two (2) years of signed tax returns or IRS 1099 forms.
- Valid current photo ID documentation (driver's license, military ID, or State ID) is required.
- Articles of Incorporation and Business License(s) (if applicable) must be submitted.
- Current occupancy standards are set by the Fire Marshall.

OTHER:

- Rents quoted are the rental amounts due if paid through your Tenant Portal and on time, (on or before the 1st of each month by 11:59 PM) otherwise, the rent is subject to late fees and additional fees.
- Keys will be released on the first (1st) day of occupancy as stated in the lease agreement. Request for keys earlier must be accompanied with additional pro-rated rent and must have Berenguer & Associates' prior approval.
- Security deposits are security for faithful performance by tenants of all terms, covenants and conditions of the lease agreement and tenants may not dictate that the security deposit be used for any rent due. Unless claimed due to a breach of lease of damages, the security deposit is refundable when the tenants move out of the property at the expiration of the lease term. This security deposit may be used towards cleaning, carpet cleaning, damages, etc. as per the lease. Tenant(s) shall still be liable for amounts for damages, cleaning, etc. that exceed this security deposit amount.

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- Maintenance and Repair - When you rent a property from our company, we strive to ensure that all items are in good working order. Please report any maintenance or repair request during your first 3 days of possession using the Move-In Inspection Form.
- Media Release - We routinely photograph and video tape the condition of our managed properties before and after each tenancy, as well as market our property and business with video tours, testimonials etc. Applicant understands and agrees our company can use these videos for any legal purpose, and accepts any risk or consequence from these videos being used in the course of business.
- Multiple Applications - Because we process applications quickly, it is rare that we will ever have multiple applicants for the same property. In such an instance, you can expect that we will make every effort to inform you in advance of this situation. If you have a submitted an application on a property that already has an approved application, your fees will be refunded to you in full and may take up 15 business days. If there are multiple applications and none have been processed, if such is the case, we will process all applications for consideration as to what Berenguer & Associates, at it's sole discretion, deems to be the best applicant, which may not necessarily be the first application received. In such cases, more than one applicant may be approvable, however only one will eventually be approved. Because we represent the best interest of the leased property, we will accept the best application, which may not necessarily the first application received. In order to evaluate the various applications, it is necessary for Berenguer & Associates to expend time and cost in credit reports, criminal reports, and other administrative cost. Hence, our policy that the application fee is non-refundable. If your application is approvable, but not the approved one for the property for which you are applying, you may consider applying for other available properties that we may have, without payment of an additional application fee.
- Leasing Associates - Berenguer & Associates provides leasing Associates (Licensed Real Estate Agents from Berenguer & Associates and/or other brokerages) to grant you access to preview our properties, to distribute lease information, applications, lease process and application disclosures and contracts to lease our properties. The leasing associate is not authorized to negotiate on behalf of Berenguer & Associates. Verbal representations are non-binding. Once your application is submitted to Berenguer & Associates, the approval/denial and negotiation process (if any) will be handled by the property manager in charge of the property for which you are applying.
- This "Lease Process and Application Disclosure" is hereby made an integral part of my/our application. I/we do hereby acknowledge that I/we understand and agree to the terms of application and lease process as described herein. I/we further acknowledge that I/we have seen and previewed the property (both inside and outside) for which we are applying.
- If you apply subject to Berenguer & Associates accepting a lower rent or other move-in concessions, your application fee will be non-refundable if your offer or concessions are not accepted. Refund of your application fee(s) is subject to all information on your application being accurate and verifiable.

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- Reporting to Credit Bureau. Our company policy is to report all non-compliances with terms of your lease agreement or failure to pay rent, or any amounts owed to the credit bureau(s) and/or a collection agency and if the amount is disputed, it shall be reported as disputed in accordance with law.
- If You Withdraw Before Approval. You and any co-applicant may not withdraw your application or the application deposit. If you or any co-applicant withdraws an application or notifies us that you've changed your mind about renting the property, we'll be entitled to retain all application deposits as liquidated damages, and the parties will then have no further obligation to each other.
- Keys or Access Devices. Berenguer & Associates will furnish keys and/or access devices only after: (1) all parties have signed the Commercial Lease Agreement and other rental documents referred to in the Lease Agreement; and (2) all applicable rents ,security deposits, and fees (if any) have been paid in full.
- Signature. Berenguer & Associates' reception of this application is consent only to this Application Agreement. It does not bind Berenguer & Associates to accept applicant or to sign the proposed Residential Lease Agreement.

Date: _____

Business Name: _____

Property in Consideration: _____

City: _____ State: _____ Zip: _____

Principal Name: _____ Principal Signature: _____

Principal Name: _____ Principal Signature: _____

Principal Name: _____ Principal Signature: _____

Principal Name: _____ Principal Signature: _____