

Insurance

Owners do not carry insurance coverage for residents' personal property. For the duration of the Lease, Lessee is required to maintain and provide the following minimum required insurance coverage:

- **\$100,000 Limit of Liability** for Lessee's legal liability for damage to Lessor's property for no less than the following causes of loss: fire, smoke, explosion, backup or overflow of sewer, drain or sump, and water damage ("Required Insurance").

Lessee is required to furnish Lessor with evidence of required insurance prior to occupancy of leased premises and at the time of each lease renewal period. If at any time Lessee does not have Required Insurance, Lessee is in breach of the Lease and Lessor shall have, in addition to any other rights under the Lease, the right, but not the obligation, to purchase Required Insurance coverage protecting the sole interest of the Lessor and seek contractual reimbursement from the Lessee for all costs and expenses associated with such purchase. This may be referred to as "force placed insurance".

Lessee may obtain Required Insurance or broader coverage from an insurance agent or insurance company of Lessee's choice. If Lessee furnishes evidence of such insurance and maintains the insurance for the duration of the Lease. Lessee is responsible for supplying renewed policy coverage prior to expiration. If Lessee does not maintain Required Insurance, the insurance requirement of this Lease may be satisfied by Lessor, who may purchase such coverage through the Lessor's Legal Liability Insurance Policy ("LLIP"). The coverage provided under the LLIP will provide the Required Insurance coverage listed above. An amount equal to the total cost to the Lessor for the LLIP coverage shall be charged to Lessee by the Lessor as a recoverable expense under the Lease. Some important points of this coverage, which Lessee should understand are:

1. LLIP is designed to fulfill the insurance requirement of the Lease. Lessor is the Insured under the LLIP. This is single interest forced placed insurance. Lessee is not an Insured, Additional Insured or beneficiary under the LLIP. All loss payments are made to the Lessor.
2. LLIP coverage is NOT personal liability insurance or renters insurance. LLIP does not cover the Lessee's personal property (contents), additional living expenses, or liability arising out of bodily injury or property damage to any third party. If Lessee requires any of these coverages, then Lessee should contact an insurance agent or insurance company of Lessee's choice to obtain personal liability insurance or renters insurance to protect Lessee's interests.
3. Coverage under the LLIP may be more expensive than the cost of Required Insurance obtainable by Lessee elsewhere. At any time, Lessee may contact an insurance agent or insurance company of their choice for insurance options to satisfy the Required Insurance under this Lease.
4. If Lessee has purchased Renters Insurance and at any time allows such Renters Insurance to lapse in breach of the Lease Agreement, Lessor may purchase Lessor Insurance without notice and add the total cost associated therewith to Lessee's monthly rent payment.
5. Licensed insurance agents may receive a commission on the LLIP.
6. The total cost to the Lessee for the Lessor obtaining LLIP shall be (\$9.50) per month. This is an amount equal to the actual premium charge to the Lessor, including any premium taxes and fees due to state governing bodies. Additionally, an Administration Fee in the amount of three Dollars (\$3.00) to be retained by the Lessor for processing and handling will be charged.