

APN 012-200-19

APN _____

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RESIDENTIAL LEASE AGREEMENT

Title of Document

Affirmation Statement

X I, the undersigned hereby affirm that the attached document, including any exhibits, hereby submitted for recording **does not contain** the social security number, driver's license or identification card number, or any "Personal Information" (as defined by NRS 603A.040) of any person or persons. (Per NRS 239B.030)

_____ I, the undersigned hereby affirm that the attached document, including any exhibits, hereby submitted for recording **does contain** the social security number, driver's license or identification card number, or any "Personal Information" (as defined by NRS 603A.040) of a person or persons as required by law: _____
(State specific law)

[Signature] _____
Signature Title

JONATHAN YOUNG
Print

1/12/18
Date

Grantees address and mail tax statement:

PO Box 1167
ROUND MTN NV
89045



RESIDENTIAL LEASE AGREEMENT

This **RESIDENTIAL LEASE AGREEMENT** (the "Agreement") is made and entered into as of this 12 day of January, 2018 (the "Effective Date") by and between NATALIE M. MELLUM (the "Seller/Landlord") and JONATHAN YOUNG AND BRITTANY YOUNG (the "Buyer/Buyer/Tenant") (collectively, the "Parties").

WHEREAS, the Parties desire to enter into a lease agreement defining their respective rights and liabilities and desire this Agreement to be a complete statement of such terms.

NOW THEREFORE, in consideration of the mutual promises and covenants set forth herein, the sufficiency of which are hereby acknowledged, the Seller/Landlord agrees to lease the Property with an Option to Purchase the Property to the Buyer/Buyer/Tenant, and the Buyer/Buyer/Tenant agrees to lease the Property from the Seller/Landlord, subject to the following terms and conditions:

Article 1 Subject Property

- 1.1 **Subject Property.** Seller/Landlord leases to, and Buyer/Buyer/Tenant takes from Seller/Landlord, the property located at 945 Whitewash Rd., Lincoln County, Panaca, Nevada (the "Property").

Article 2 Lease Term

- 2.1 **Term.** The term of this Agreement shall commence on the Effective Date and shall continue until January 15, 2019 or until the Buyer/Tenant obtains financing and exercises the Option to Purchase (the "Term"). Should the Buyer/Buyer/Tenant vacate the Property prior to the expiration of the Term, the Residential Lease Agreement shall become void.
- 2.2 **Vacating Property Upon Expiration of Term.** In the event Buyer/Buyer/Tenant wishes to vacate the Property upon conclusion of the Term or Buyer/Buyer/Tenant is unable to obtain financing, Buyer/Buyer/Tenant must provide Seller/Landlord with written notice of Buyer/Tenant's intent to vacate at least thirty (30) days prior to the expiration of the Term.
- 2.3 **Early Termination by Seller/Landlord.** The Seller/Landlord may terminate this Agreement prior to its expiration, pursuant to the following terms and conditions: (a) In the event Buyer/Buyer/Tenant fails to comply with any provision of this Agreement, the Seller/Landlord shall have the right to immediately terminate this Agreement and evict the Buyer/Tenant pursuant to and in accordance with the applicable local laws; (b) Buyer/Buyer/Tenant shall not be liable for any costs that the Seller/Landlord may incur in advertising or marketing the Property to prospective replacement Buyer/Tenants or buyers.
- 2.4 **Early Termination by Buyer/Buyer/Tenant.** The Buyer/Buyer/Tenant may terminate this Agreement prior to its expiration, pursuant to the following terms and conditions: (a) Seller/Landlord fails to comply with any provisions of this Agreement.



**Article 3
Payments, Deposits and Fees**

- 3.1 **Lease.** Buyer/Tenant shall pay to Seller/Landlord, as consideration for the lease of the Property, the monthly sum equal to the mortgage payment plus any taxes and fees normally associated with the monthly payment of the property to the mortgage company. Parties contemplate that the amount is approximately \$1800.00 (the "Monthly Payment"), but may fluctuate marginally based on county assessments of taxes, without any right to deduction or setoff.
- 3.2 **Monthly Payments.** Monthly payment shall commence on the 1st day of the month after the execution of this agreement and shall continue every month thereafter until the 1st day of January 2019 or until the Buyer/ Tenant obtains financing to exercise the Option to Purchase. Payment shall be remitted to the Seller/Landlord by the 3rd of each month. Seller/Landlord shall remit payment to the mortgage company. Seller/Landlord shall provide Buyer/Tenant, proof of payment to Lender within 10 days upon request by the Buyer/Tenant.
- 3.3 **Default.** Should Buyer/Tenant default on payment past 15 days of the due date, this Agreement shall be terminate and the deposit of \$12,500.00 shall be forfeited. Should the Seller/Landlord fail to remit payment to the lender/mortgage company and/or the property is foreclosed and/or court proceedings prevent Buyer/Tenant from purchasing this property or to lease this property in a reasonable, timely and costly manner, the \$12,500.00 shall be refunded to Buyer/Tenant within 30 days.
- 3.4 **Payment of Lease.** The Monthly Lease shall be due and payable no later than 5:00 p.m. on the third day of each calendar month (the "Monthly Due Date"). If the third day of any given month falls on a weekend or holiday, then the Monthly Due Date shall be moved to the next business day. If Buyer/Tenant fails to deliver the Monthly Lease by the Monthly Due Date, then the Monthly Lease shall be subject to Late Fees calculated pursuant to Section 6.2 below.
- 3.5 **Deposit.** Before the commencement of the Term, Buyer/Tenant shall pay to Seller/Landlord a Security Deposit in the amount of \$12,500.00. If the option to purchase is exercised by the Buyer/ Tenant the agreed upon sales price of the Property of \$280,000.00 shall be reduced by the Deposit fee of \$12,500.00 to \$267,500.00
- 3.6 **Utilities, Taxes and Other Recurring Expenses.** Buyer/Tenant shall pay directly for all utilities, taxes and other recurring expenses associated with the Property, including any and all deposits required, except for those utility services, taxes and other recurring expenses expressly set forth below as expenses to be paid for by Seller/Landlord. Seller/Landlord will continue to pay for the homeowners insurance on the Property.

**Article 4
Buyer/Tenant Covenants and Obligations**

- 4.1 **Buyer/Tenant's Inspection Report.** Buyer/Tenant shall walk through the Property and inspect the Property's Property for any defects or needed repairs. Upon conclusion of this inspection, Buyer/ Tenant shall provide Seller/Landlord with a report, detailing any and all defects and/or needed repairs Buyer/Tenant has identified (the "Buyer/Tenant's Inspection Report"), attached as Exhibit



“A” and incorporated herein by reference. Buyer/Tenant hereby warrants and represents that the information contained in the Buyer/Tenant’s Inspection Report is accurate and complete, detailing all known defects, damage and/or needed repairs located on the Property. Buyer/Tenant acknowledges and understands that Seller/Landlord will use the Buyer/Tenant’s Inspection Report to determine what, if any, defects and/or damage existed on the Property at the time of Buyer/Tenant’s move-in. Buyer/Tenant further acknowledges and understands that the Buyer/Tenant may be liable for the cost of repairing any defect or damage not disclosed on the Buyer/Tenant’s Inspection Report.

- 4.2 **Duty to Disclose Defects.** During and throughout Buyer/Tenant’s lease of the Property, Buyer/Tenant shall be obligated to promptly inform Seller/Landlord of any material defect in or on the Property.
- 4.3 **Surrender of Property.** Upon the expiration or earlier termination of this Agreement, Buyer/Tenant shall surrender the Property to Seller/Landlord in substantially the same condition as the Property was in as of the Effective Date, excepting normal wear and tear.
- 4.4 **Animals:** All livestock shall be allowed to use the property as seen fit by Buyer/Tenant.
- 4.5 **Buyer/Tenant Damages.** Buyer/Tenant agrees to take full responsibility for any breakage, damage, destruction, and/or stains which may be caused to the Property, its fixtures, and/or appliances by Buyer/Tenant, Occupants, or Buyer/Tenant’s family, agents, servants, employees, guests, invitees, licensees or otherwise, whether intentional or negligent. Buyer/Tenant shall reimburse Seller/Landlord as additional lease, for all expenses, damages, or costs incurred by Seller/Landlord for reason of said breakage, damage, destruction, and/or stains. Seller/Landlord shall have the option, but not the obligation, to cause all repairs for which Buyer/Tenant is responsible to be done at Buyer/Tenant’s expense. In addition, Buyer/Tenant agrees to reimburse Seller/Landlord promptly for the replacement cost of any loss, property damage, or cost of repairs or service
- 4.6 **Maintenance, Alterations or Improvements.** Seller/Landlord shall repair and maintain the Property but are not responsible for repairs that are less than \$2000.00. Buyer/Tenant shall make no repairs, alterations or improvements to the Property, except for routine cleaning and maintenance, unless Seller/Landlord gives Buyer/Tenant prior written authorization to do so. Buyer/Tenant shall be responsible for all repairs less than \$2000.00 as provided by a written estimate.
- 4.7 **Hazardous Materials.** Buyer/Tenant shall not use, store, or dispose of any hazardous materials on, under or about the Property, except for small quantities of products of a type customarily found in households (such as aerosol cans containing insecticides), provided that Buyer/Tenant shall handle, store, use, and dispose of any such products in a safe and lawful manner and shall not allow them to contaminate the Property.
- 4.8 **Legal Compliance.** Buyer/Tenant shall abide by all applicable federal, state and local laws governing the use and care of the Property.

Article 5 Representations, Warranties, Disclosures and Disclaimers



- 5.1 **Co-Buyer/Tenants and Buyer/Buyer/Tenants.** If more than one person executes the Agreement as Buyer/Tenant, their obligations under this Agreement are joint and several. Any signature, act or notice of or to any Co-Buyer/Tenant in relation to the termination of this Agreement, or under or with respect to any terms of this Agreement, shall be binding upon each and all of the Co-Buyer/Tenants. Accordingly, any default under this Agreement shall be binding upon each and all of the Co-Buyer/Tenants. Furthermore, if any person executes this Agreement as Buyer/Buyer/Tenant, that Buyer/Buyer/Tenant shall be jointly and severally liable for any and all financial obligations owed by the Buyer/Tenant under this Agreement.
- 5.2 **Quiet Enjoyment.** Buyer/Tenant shall be entitled to quiet enjoyment of the Property. However, notwithstanding the foregoing, Buyer/Tenant shall not use the Property in such a manner as to violate any law or ordinance, commit waste or nuisance, or annoy, disturb, inconvenience, or interfere with the quiet enjoyment of any other or nearby resident.
- 5.3 **Abandonment.** If at any time during the term of this Agreement Buyer/Tenant abandons the Property or any part thereof, Seller/Landlord may obtain possession of the Property in any manner provided by law, and without becoming liable to Buyer/Tenant for damages.
- 5.4 **Possession of the Property.** Buyer/Tenant's failure to take possession of the Property shall not relieve Buyer/Tenant of the obligation to pay the Monthly Lease. Seller/Landlord's failure to provide the Residence in a habitable manner will relieve the Buyer/Tenant of the obligation to remit monthly payments.
- 5.5 **Condemnation and Eminent Domain.** If the whole or any part of the Property, or the building in which the Property is located, shall be taken by exercise of eminent domain, this Agreement shall terminate upon the date that actual physical possession of the Property is so taken, and all damages awarded from such taking shall be the sole property of the Seller/Landlord except for the Deposit. A voluntary conveyance of the Property by Seller/Landlord under threat of condemnation shall be deemed to be a taking under the power of eminent domain, and Seller/Landlord shall be entitled to all payments or damages awarded therefrom.
- 5.6 **Possessions.** Seller/Landlord agrees to remove all possession of the Seller/Landlord and/or family or friends of the Seller/Landlord's from the Property by February 15, 2019.

Article 6 Events of Default

- 6.1 **Default by Buyer/Tenant.** If Buyer/Tenant fails to pay the Monthly Lease or other charges when due, or fails to comply with any other provision of this Agreement, Seller/Landlord may terminate Buyer/Tenant's right to occupancy by providing Buyer/Tenant 30 days notice. Buyer/Tenant forfeits \$12,500.00 deposit. Buyer/Tenant will not be liable for any expenses for reletting the Property.

Article 7 Liability and Indemnification

- 7.1 **Individual Liability.** Each Buyer/Tenant who signs this Agreement, whether or not said person is or remains in possession of the Property, shall be jointly and severally liable for the full



performance of each and every obligation of this Agreement, including but not limited to, the payment of all Monthly Lease due and the payment of costs to remedy any damages to the Property, regardless of whether such damages were caused by the Buyer/Tenant, Co-Buyer/Tenant or invitee of the Buyer/Tenant.

- 7.2 **Indemnification by Buyer/Tenant.** Buyer/Tenant agrees to indemnify Seller/Landlord and hold Seller/Landlord harmless against any and all losses, claims, demands, liabilities and damages, which Seller/Landlord may become subject to, insofar as such losses, claims, demands, liabilities and damages arise out of or are based upon Buyer/Tenant's actions or omissions, including, but not limited to, any conduct of Buyer/Tenant arising out of its rights or obligations under this Agreement. Buyer/Tenant further agrees to reimburse Seller/Landlord for any attorneys' fees or any other expenses incurred by Seller/Landlord in connection with investigating or defending any such loss, claim, demand, liability or damage.
- 7.3 **Hold Harmless.** Buyer/Tenant expressly releases Seller/Landlord from any and all liability for any damages or injury to the Buyer/Tenant, or any other person, or to any property, occurring on the Property unless such damage is the direct result of the gross negligence or unlawful act of the Seller/Landlord or Seller/Landlord's agents.
- 7.4 **Acceleration Clause.** Both Parties understand and agree that an acceleration clause may apply to the mortgage of this Property. In the event that the mortgage and/or lender company accelerates the mortgage of this Property, Seller agrees to hold harmless and indemnify the Buyer.

Article 8 Insurance Disclosures

- 8.1 **Buyer/Tenant's Personal Property Not Insured.** Buyer/Tenant assumes full responsibility for all personal property placed, stored or located on or about the Property. Buyer/Tenant acknowledges and understands Seller/Landlord will not purchase or provide any insurance for Buyer/Tenant's personal property. Seller/Landlord recommends that Buyer/Tenant obtain insurance to protect against risk of loss from harm to Buyer/Tenant's personal property. Seller/Landlord shall not be responsible for any harm to Buyer/Tenant's personal property resulting from fire, theft, burglary, strikes, riots, orders or acts of public authorities, acts of nature or any other circumstance or event beyond Seller/Landlord's control.

Article 9 Miscellaneous

- 9.1 **Assignment and Sub-Letting.** No portion of the Property shall be sublet nor this Agreement assigned without the prior express written consent of Seller/Landlord, which Seller/Landlord may withhold in its absolute discretion. Any attempted subletting or assignment by Buyer/Tenant shall, at the election of Seller/Landlord, be an irremediable breach of this Agreement and provide cause for immediate termination of this Agreement.



- 9.2 **Governing Law.** This Agreement shall be construed and interpreted in accordance with and shall be governed and enforced in all respects according to the laws of the State of Nevada, without giving effect to conflicts of laws principles. The Parties each agree to the exclusive jurisdiction of any state or federal court within the County of Lincoln, State of Nevada, with respect to any claim or cause of action arising under or relating to this Agreement, and waive personal service of any and all process upon it and consent that all service of process be made by overnight courier (with confirmation of delivery), certified, registered, or priority U.S. mail (return receipt requested), directed to it at its address as set forth hereunder and service so made shall be deemed to be completed when received. The Parties each waive any objection based on forum non conveniens and waive any objection to venue of any action instituted hereunder.
- 9.3 **Subordination.** This Agreement and the tenancy arising hereunder are and shall always be subordinated to the operation of any effective mortgage or deed of trust which may now or hereafter affect the Property including any renewal, modifications, consolidations, replacements, or extensions thereof. This clause is self-operative and no further instrument shall be needed in order to effectuate this subordination.
- 9.4 **Attornment.** In the event any proceedings are brought for foreclosure or, or in the event of the exercise of the power of sale under, any mortgage or deed of trust covering the Property or the apartment complex in which the Property is located, Buyer/Tenant shall attorn to the purchaser and shall recognize such purchaser as the Seller/Landlord under this Agreement.
- 9.5 **Severability.** If any term or provision of this Agreement, or the application thereof to any person or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby; each term and provision of this Agreement shall be valid and enforced to the fullest extent permitted by law.
- 9.6 **Non-Waiver.** Acceptance of lease by Seller/Landlord shall not be deemed a waiver by Seller/Landlord of any prior breach of Buyer/Tenant. The failure of Seller/Landlord in any case to enforce or insist upon the strict performance of any provision of this Agreement shall not prevent a subsequent act, which would have originally constituted a violation of default hereunder, from having all the force and effect of an original violation or default.
- 9.7 **Attorney's Fees.** Each party hereto shall bear its own professional fees and expenses incurred by such party in connection with, relating to or arising out of the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby; provided however, in the event any dispute between the Parties should result in litigation, the prevailing party shall be reimbursed for all costs incurred in connection with such litigation, including, without limitation, reasonable attorneys' fees and costs.
- 9.8 **Punitive and Consequential Damages.** Under no circumstance shall Seller/Landlord be liable to Buyer/Tenant or any third party for any amount of punitive damages or consequential damages arising out of or in connection with this Agreement or the exercise by Buyer/Tenant of all or any portion of the rights granted under this Agreement. Buyer/Tenant hereby expressly waives any right to punitive or consequential damages resulting from any claim arising out of this Agreement.
- 9.9 **Headings.** The paragraph headings to this Agreement are for convenience and reference only; and the words contained therein shall in no way be held to explain, modify, amplify, or aid in the interpretation, construction, or meaning of the provisions of this Agreement.
- 9.10 **Interpretation.** Plural shall be substituted for the singular form and vice versa in any place or places herein in which the context requires such substitution or substitutions. Each party to this



Agreement represents that it has read and understood each provision of this Agreement and has discussed this Agreement with legal counsel or has been advised to and has been provided the opportunity to discuss this Agreement with legal counsel. The Parties hereto therefore stipulate and agree that the rule of construction to the effect that any ambiguities are to be or may be resolved against the drafting party shall not be employed in the interpretation of this Agreement to favor any party against another.

9.11 **Notices.** Any and all notices that either party hereto desires or is required to give to the other party pursuant to this Agreement shall be in writing and delivered in person, sent by overnight courier (with confirmation of delivery) or sent by express, certified or priority U.S. mail postage prepaid (return receipt requested), addressed as follows:

To BUYER/TENANT:
John and Brittany Young
P.O. Box 1167
Round Mountain, NV 89045

To SELLER/LANDLORD:
NATALIE M. MELLUM

9.12 **Agreement.** This Agreement, when properly executed by the Parties or their authorized agents, shall constitute the only agreement among the parties with respect to the subject matter stated herein and shall supersede all prior agreements between the parties, whether written or oral. This Agreement may be amended only by a writing executed by all Parties hereto.

9.13 **Time.** Time is of the essence of this Agreement and all terms and conditions hereof.

9.14 **Counterparts.** This Agreement may be executed in counterparts and all of such counterparts, taken together, shall be deemed part of one instrument. Facsimile and/or electronically transmitted signatures shall be binding for purposes of this Agreement.

9.15 **Buyer/Tenant has Read and Understands this Agreement.** Buyer/Tenant hereby represents and warrants that Buyer/Tenant has read this Agreement in its entirety and fully understands the contents hereof.

**Article 10
Option to Purchase**

10.1

Purchase Option.

Upon conclusion of the Term or before, Buyer/Tenant shall have an option to purchase the Property at a purchase price equal to \$280,000.00 less \$12,500.00, Deposit and any monthly payments (the "Purchase Option"). If Buyer/Tenant elects to exercise the Purchase Option, then Buyer/Tenant must deliver written notice of its intent to exercise such option to Seller/Landlord within thirty (30) days before the expiration of the Term. Upon delivery of such written notice to Seller/Landlord, Buyer/Tenant shall have ninety (90) days to close the purchase of the Property (the "Purchase Period"). In the event Buyer/Tenant fails to close the purchase of the Property within the Purchase Period, and the Parties fail to



execute a written extension of the time limit for the Purchase Period, then the Purchase Option will expire.

10.2

Prepayment Penalty.

All Parties agree that the Buyer/Tenant may exercise the option to purchase at anytime prior to the term expiration. If the Buyer/Tenant exercises this option prior to expiration of the term, there will be no prepayment penalty.

10.3

Closing Costs.

Closing costs including title, escrow, filing fees and other closing costs shall be shared equally between Buyer and seller at the time of closing.

10.4

Acceleration Clause.

Both Parties understand and agree that an acceleration clause may apply to the mortgage of this Property. In the event that the mortgage and/or lender company accelerates the mortgage of this Property, Seller agrees to hold harmless and indemnify the Buyer.

[SIGNATURES ON FOLLOWING PAGE]

This **RESIDENTIAL LEASE AGREEMENT** is hereby executed and acknowledged by the parties as of the date and year set forth below.

SELLER/LANDLORD

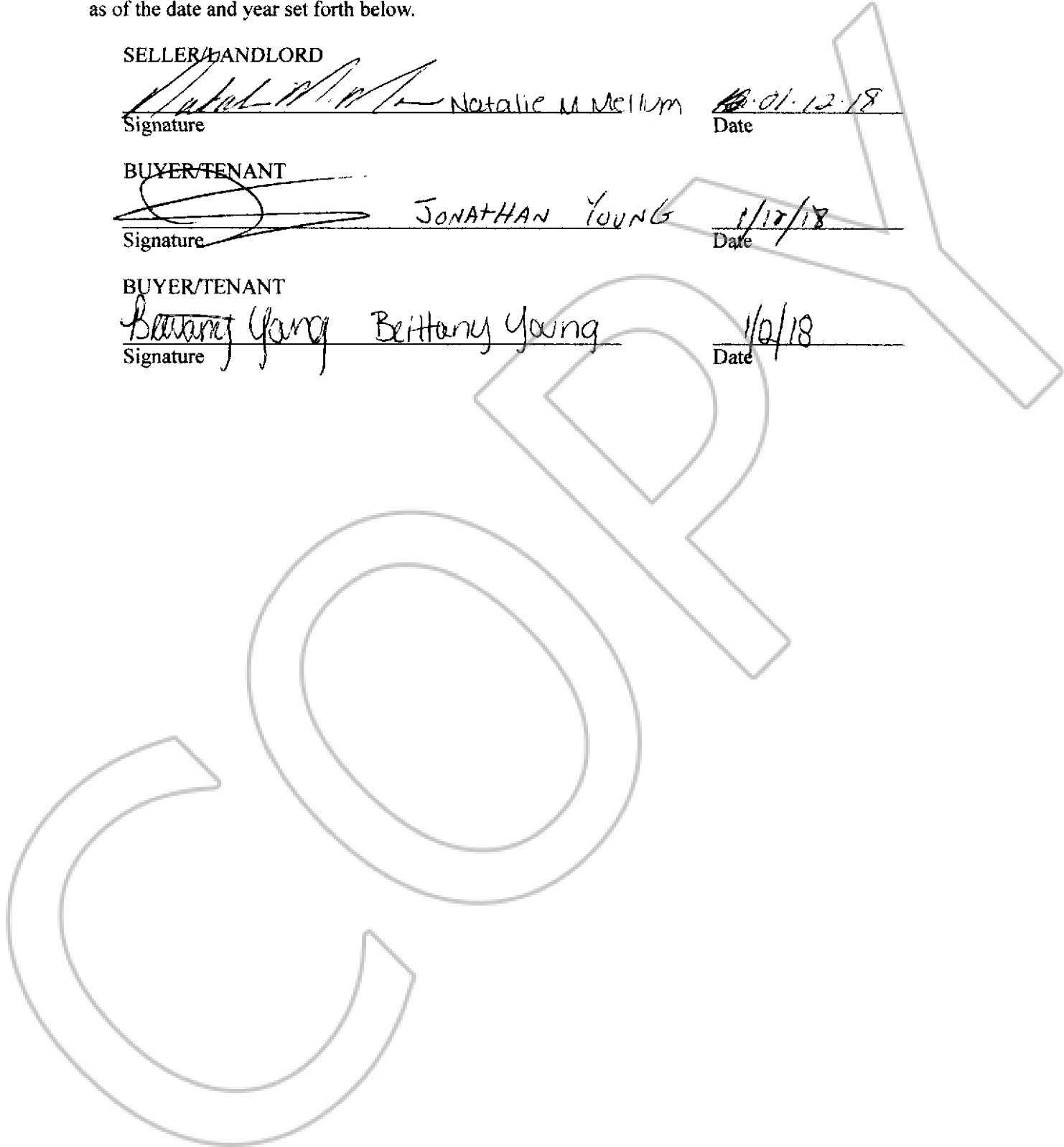
Natalie M. Mellum Signature Natalie M Mellum 01-12-18 Date

BUYER/TENANT

[Signature] Signature JONATHAN YOUNG 1/12/18 Date

BUYER/TENANT

Bethany Young Signature Bethany Young 1/12/18 Date





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THIS DOCUMENT CONTAINS A TRUE WATERMARK - HOLD TO LIGHT TO VIEW

NEVADA STATE BANK



CASHIER'S CHECK

94-77/1224

797941

JONATHAN & BRITTANY YOUNG

Remitter

Date JAN 12, 2018

Pay

\$ ***12,500.00***

TWELVE THOUSAND FIVE HUNDRED and 00/100 US Dollars

To The Order Of ***NATALIE M MELLUM***

Authorized Signature

048 03 4155



MP

