

## UTILITIES ADDENDUM

This Utilities Addendum ("Addendum") dated \_\_\_\_\_ is attached to and made a part of the rental agreement dated \_\_\_\_\_ (the "Agreement") by and between \_\_\_\_\_, as agent for Owner ("Landlord"), and \_\_\_\_\_ (individually and collectively referred to herein as "Resident") for the rental of the premises located at \_\_\_\_\_ (the "Premises", the "Community" or "Property"). All terms not specifically defined herein shall have the same definition as found in the Agreement. Resident and Landlord agree as follows:

1. Utility Charges: Base Rent for the Premises under the Agreement does not include charges for any utilities. Resident is responsible for the costs of all utilities identified on Exhibit A to this Addendum. Residents may be charged for utilities in two ways: Direct Utilities and Allocated Utilities.
2. Direct Utilities: "Direct Utilities" are those where Resident receives bills for utility use directly from the utility provider. For the Direct Utilities identified on Exhibit A as "Direct billing from utility," Resident must set up service with the utility provider as the provider's "Customer of Record." Service must be established in Resident's name with each Direct Utilities' provider as of the Agreement start date. Failure to become the Customer of Record may result in an interruption of services and is considered a material breach of the Agreement, and just cause to terminate tenancy. Landlord and Resident agree that if Resident does not establish service in Resident's own name, Landlord or Billing Provider will incur certain costs (e.g., additional bookkeeping, administrative time, and lost opportunity costs) that will be difficult or impossible to ascertain. Landlord and Resident agree that \$50 is a fair estimate of the damages Landlord will suffer as a result of Resident's failure. Resident agrees to pay this amount as a fee each month (or part thereof) that Resident fails to put a Direct Bill Utility into Resident's own name. Resident must terminate services from Direct Utilities when Resident vacates the Premises.
  1. Allocated Utilities
    - a) The other utilities for which Resident is responsible are referred to herein as "Allocated Utilities" and identified in Exhibit A. Resident agrees to pay to Landlord, as additional rent, all Allocated Utilities during the term of the Agreement. For the Allocated Utilities, Resident shall pay a monthly amount stated in a separate bill ("Allocated Utility Bill") sent to Resident by Livable, Inc. or another third party billing service provider ("Billing Provider") for the Property. Payment of the Allocated Utility Bill is due as noted on each Allocated Utility Bill. Unless otherwise provided, Resident agrees to pay the Allocated Utility Bill monthly at the location identified on the Allocated Utility Bill. Resident acknowledges that Landlord is the customer of record for Allocated Utilities, and Resident is receiving an Allocated Utility Bill based on the terms below.
    - b) Resident agrees that Landlord may (i) bill for additional utilities and services that are not initially listed on Exhibit A, at which time such additional utilities and services shall for all purposes be included in the term "Allocated Utilities," (ii) change the Billing Provider, the method of billing and/or the method of allocation, or (iii) otherwise change the terms and conditions of this Adden-

dum to comply with any laws or regulations. Resident agrees that Landlord may make these changes by providing thirty (30) days' written notice to Resident pursuant to Section 14, below.

- c) Charges for Allocated Utilities, other than water, based on submeter readings (if any) will itemize the beginning and ending meter readings, the rate charged to Resident and any other information required by applicable law, rules or regulations. Billing amounts will be determined by multiplying the submeter readings for the Resident's Premises by the effective utility rate that is charged to Landlord. The effective rate is calculated by adding together all charges from the utility provider, including base fees, miscellaneous charges, fees and taxes contained on the utility bills divided by the total consumption. Resident agrees to allow Landlord, or the Billing Provider, access to Resident's Premises in order to install, repair, remove and/or read submeters. The Billing Provider may estimate Resident's submeter consumption of Allocated Utilities if Resident's submeter is broken, a meter cannot be read, does not transmit a meter reading or upon move-in or move-out.
- d) Resident's Allocated Utilities may be estimated if Landlord or Billing Provider has not received bills from utility providers in time to prepare Resident's Allocated Utility Bill.
- e) The allocation formulas set forth in Exhibit A will be used to calculate Resident's share of the Allocated Utilities and all costs of providing same in accordance with state and local law. Under any allocation method, Resident may be paying for utility usage in common areas or in other residential units as well as administrative fees or other charges imposed by the utility provider. Both Landlord and Resident agree that using the allocation formula set forth herein as a basis for allocating utility costs is fair and reasonable, while recognizing that the allocation method does not reflect actual utility consumption by Resident.
- f) The maximum amount to be billed for all Allocated Utilities is \$\_\_\_\_\_ per month (the "Not to Exceed Amount") (if the Not to Exceed Amount is blank, this Subsection (f) does not apply). If the Property is rent-controlled under state or local law, Landlord and Resident understand and acknowledge that, for purposes of the applicable rent control law, all allocated utilities charges required to be paid by Resident to Landlord under the Utilities Addendum are considered a portion of the rent paid for the Premises and shall be considered as part of the rent when calculating allowable increases under the rent control ordinance. The Not to Exceed Amount is the maximum utility rent to be billed to Resident by or on behalf of Landlord for all Allocated Utilities (as opposed to any Direct-Bill Utilities), as well as any monthly billing or service fees required under this Utility Addendum, if applicable. The rent related to these allocated utilities and services actually billed to Resident may be less than the Not to Exceed Amount in order to reward overall conservation efforts and to pass on to Resident decreases in rates from the utility providers.
- g) Resident's billing statement will include a monthly account maintenance fee of no more than \$10. The service charge represents the reasonable value of services provided by Landlord and/or the Billing Provider to allocate the utility costs, provide billing to Resident, process payments and, where applicable, postage costs. The monthly service charge is subject to change upon thirty (30) days' written notice, pursuant to Section 14, below. In any jurisdiction where such charges are prohibited for one or more specific utility, the monthly service charge does not include any costs for preparing bills or other services relative to those specific utilities.
- h) For Allocated Utilities, all charges assessed to Landlord from utility providers or on property tax bills may be used to calculate the amount charged to Resident under the allocation formula. Such charges may include, but are not limited to, usage charges, miscellaneous charges, fees, taxes, drought or other surcharges, fines or other penalties. Allocated charges for Trash may include all costs incurred by Landlord relating to Trash, including, but not limited to charges from the hauler for removing the trash and recycling, porter service, bulky item removal, cleaning of the bins and

deodorizing services, third party vendor contracts providing services relating to trash, composting and recycling as well as composting costs where composting is required.

3. Billing Provider: While Landlord reserves the right to change who prepares Allocated Utility Bills at the Property, at the time of execution of this Utilities Addendum, Allocated Utility Bills are provided to Resident by:
  - A Third Party Billing Provider, which, as of the execution of this Utilities Addendum is Livable, Inc. The Third Party Billing Provider may be contacted with any questions or concerns at PO Box 25008, Pasadena, CA 91185-5008; [support@livable.com](mailto:support@livable.com); or (877) 789-6027 and/or your Landlord.
4. Transition Fees: When Resident begins their tenancy, a fee not to exceed \$10.00 may be added to the initial bill to cover the Billing Provider's administrative costs of opening Resident's account. When Resident vacates the Premises, a fee not to exceed \$10.00 may be added to the final bill described below in Section 10 to cover the costs of closing out Resident's account.
5. Submetered Water: In the case "Submetered" is indicated in Exhibit A for water billed to Resident, the terms for submetering will be attached in Exhibit B to this Addendum. If submeters are not used, there will be no Exhibit B.
6. Common Area Deduction ("CAD"): If indicated in Exhibit A, a CAD is deducted from the sum of the Landlord's utility bills for the utility indicated and relates to the expense of such utility associated with any common areas such as laundry facilities, irrigation, pools, fountains, etc. Landlord and Resident agree that the exact amount of utilities consumed in the common areas cannot be determined precisely; therefore, the CAD indicated is a fair and reasonable estimate of the usage in common areas even though the utilities are not separately metered. Landlord will deduct the percentage of CAD identified in Exhibit A from the sum of the Landlord's utility bills for the utility indicated each month before allocation of such bills to Resident according to the allocation formulas described. The percentage CAD deduction may be changed by Landlord with thirty (30) days' written notice by Landlord to Resident, pursuant to Section 14, below.
7. Reporting Leaks or Damage: Resident agrees to notify Landlord of any leaks, drips, malfunctioning water fixtures, or other problems relating to Allocated Utilities in writing upon discovering the problem. Resident may contact Landlord through the methods provided in Resident's Agreement. Resident shall not remove any water fixtures or water saving devices installed by Landlord.
2. Default in Payment of Allocated Utility Bills
  - a) To the extent permitted by law, any delinquent payment of an Allocated Utility Bill shall be considered a default under the Agreement to the same extent and remedies as if Resident had been delinquent in Resident's payment of the monthly rent, as well as being just cause for termination under state and local law.
  - b) Landlord and Resident agree that when Resident fails to pay Allocated Utility Bills on time, Landlord may apply monthly rent to the overdue Utility Bill. If Resident fails to pay Allocated Utility Bills on time, or when Resident pays by a dishonored check, the actual cost to Landlord and/or Billing

Provider is difficult or impossible to ascertain, but Landlord and Resident agree that Landlord and/or Billing Provider does, in the event of late payment or in the event of a dishonored check, incur certain costs, such as additional bookkeeping and administrative time, bank charges, lost opportunity costs of the late payment, etc. After making a reasonable endeavor to estimate accurately the approximate costs associated with a non-payment of the Allocated Utility Bill, Landlord and Resident agree that \$15 is a fair estimate of the damages Landlord will suffer as a result of the late payment. Resident agrees to pay this amount as a late fee when payment is not made as of the Allocated Utility Bill due date. The parties further agree that an NSF fee of \$25, plus the payment required to replace the dishonored check, is a fair and reasonable amount to compensate the Landlord or Billing Provider in the event Resident's check is dishonored. The Parties further agree that the payment of these sums does not constitute an agreement to pay Allocated Utility Bills late and/or to pay by dishonored check.

8. Final Bill: Upon vacating the Premises, a final Allocated Utility Bill will be issued by either the Billing Provider or Landlord. The cut-off date for this final bill will be the date that Resident surrenders possession of the Premises to Landlord. To the extent permitted by law, Resident acknowledges and agrees that any unpaid Allocated Utility Bill, together with the amount of the final bill, may be deducted from the security deposit, as additional rent, at the termination of the Agreement.
9. Outages: Landlord is not liable for any losses or damages Resident incurs as the result of outages, interruptions, or fluctuations in utilities provided to the Premises and waives any claims against Landlord for offset, reduction of rent or diminished rental value of the Premises, unless caused by or the direct result of the sole negligence of Landlord.
10. Utilities Tampering: Resident agrees not to terminate, cut off, interrupt or interfere with any system supplying utility services to the Premises and shall not disturb, tamper, adjust, or disconnect any utility service submetering device. Resident shall not intentionally utilize utilities of another unit whether or not such unit is occupied. Resident shall not breach any cable or satellite dish system, but will instead contract with appropriate parties for use of such services.
11. Conservation: Resident agrees to comply with any utility conservation efforts implemented by Landlord and abide by all applicable laws and ordinances pertaining to utilities. Resident further agrees to reimburse and indemnify Landlord for all fines or other penalties incurred by Landlord as a result of Resident's violation of any statute, ordinance, regulation or other governmental restriction.
12. Change in Utility Billing Terms: Resident agrees that Landlord may modify the terms and conditions of this Addendum, including the method by which utilities are furnished to Resident's unit and/or billed to Resident during the term of the Agreement upon thirty (30) days' written notice. This includes, but is not limited to, submetering the unit for certain utility services or changing the allocation formula. Such changes may also include changing the CAD percentage, modifying fees, or adding or removing Allocated Utilities. In the event Landlord chooses to modify the Addendum, Landlord will provide Resident at least thirty (30) days' prior written notice of such modification.

13. Except as specifically stated herein, all other terms and conditions of the Agreement shall remain unchanged. Any terms used in this Addendum not herein defined shall have the same meaning as provided in the Lease. In the event of any conflict between the terms of this Addendum and the terms of the Lease, the terms of this Addendum shall control. If any portion of this Agreement is invalid, illegal or unenforceable the other portions shall not be affected in any way and this Agreement shall be interpreted to enforce such provision consistent with the intentions of the parties to the maximum extent permitted by applicable law.

**Tenant:**

_____	_____	_____
Tenant	Date	Email
_____		
Tenant	Date	Email
_____		
Tenant	Date	Email

**LANDLORD:**

\_\_\_\_\_  
As Agent for Owner

By: \_\_\_\_\_  
*Signature* Date

\_\_\_\_\_  
Print Name

Title

**EXHIBIT A TO UTILITIES ADDENDUM**

a.i.1.a.i.1. Utilities for the Premises shall be charged to Resident as follows:

**Please check all Allocated Utilities that will be charges to Resident via the Allocation Method calculated by Livable:**

- Water       Sewer       Trash       Gas       Phone       Common Electricity
- Internet       Cable  Common Central Facilities (e.g., hot water, central air)       Other \_\_\_\_\_

Note: Water, Sewer, Trash, Common Central Facilities, Phone, Internet and Cable all have a 5% minimum common area deduction and may exceed 5% depending on the amenities at the property. The common area deduction percentage can be viewed on the Allocation Tables that are available to you in the Resident Connect Portal

**Please check all Direct Utilities that the Resident is required to be the customer of record and will receive direct billing from the utility provider:**

- Water       Sewer       Trash       Gas       Phone       Other \_\_\_\_\_

**ALLOCATION FORMULAS**

a.i.1.a.i.1. Allocated Utilities (i.e., water, sewer, trash, hot water) are billed on a “100% Occupancy” formula, or one of the alternative methods below. After deducting the CAD, Billing Provider divides the utility charges being allocated, by the total of all authorized occupants at the Property. Billing Provider calculates Resident’s share by multiplying the result of this calculation, by the occupancy factor based upon the total number of authorized occupants in the Premises. The occupancy factors are provided in the below table:

	<u>Number of Occupants</u>	<u>Occupancy Factor</u>
	1	1
	2	1.6
	3	1.9
1.	2.2	
1.	2.5	
	6	2.8

**ALTERNATE ALLOCATION FORMULAS**

One or more of the Allocated Utilities are billed based on one of the following formulas:

- “100% Square Footage” allocation means, after deducting the CAD, the Billing Provider divides the charges being allocated by the total square feet of all occupied square footage. Billing Provider will then multiply the result of this calculation by the estimated square footage of Resident’s Premises. Utilities billed with this method include but are not limited to; common gas, electricity.
- “By Unit” means the total charges being allocated, after deducting the CAD, is divided by the total number of units at the Property and the result is Resident’s allocation. Utilities billed with this method include but are not limited to; phone, internet, cable, pest control