

LEASE ADDENDUM

SECURITY DEPOSIT WAIVER - TOTAL PROPERTY PLAN



Property Manager:	ABC Property Management, Inc	Policy Number:	123456789
Tenant Name:	John Doe, Jr.	Policy Start Date:	07-01-2010
Unit Address:	123 Main Street	Policy End Date:	07-01-2011
	Chicago, IL 60601		

Lease Agreement

While renting from ABC Property Management, Inc (hereinafter "Property Manager"), we provide the following inclusive benefit on all our rental units. The Total Property Plan Security Deposit Waiver (hereinafter "SDW"), provides coverage for theft or damage to unit as a result of your inadvertent acts or omissions. For a full description of the plan please refer to the Description of Coverage detailing the terms, conditions and responsibilities of the Tenant and Property Manager. This plan does not negate your responsibilities as a Tenant. You must notify Property Manager of any damage or theft to the unit during your occupancy, or this plan is void and you will be held responsible for any damage to the unit. The units are carefully inspected by Property Manager upon vacancy of each rental.

Description of Coverage With Pets Limit \$1,500 TERMS OF WAIVER

As an enrolled Covered Renter under this plan, renting at a Property Manager's property, you will not be obligated to pay for the theft or damage to covered real or personal property of the owner of the rental unit located within the rental unit occupied by the Covered Renter. The property manager waives the right to charge the Covered Renter for theft or damage to the unit as a result of your inadvertent acts or omissions during the duration of the Leasehold Term. There is no cost to you for this Plan. Property Manager provides this coverage for their renters. The maximum limit of this waiver liability is \$1,500 aggregate per year.

CONDITIONS

The SDW has certain conditions. The plan will not include liability for damage or theft resulting from:

1. Acts of God
2. Intentional Acts of a Covered Renter
3. Gross negligence or willful and wanton conduct
4. Any cause, if the Covered Renter does not report the damage to Property Manager Staff in writing using the plan forms provided, by the time the covered renter's lease has expired or vacated the unit
5. Normal wear and tear
6. Theft without a valid police report
7. This plan does not cover loss of use of the covered property
8. Coverage does not apply for theft or damage to any property owned by or brought onto the premises by a Covered Renter
9. Property Damage resulting from any motorized vehicle or watercraft operated by a Covered Renter
10. Coverage does not apply to any sub-leased units
11. Rodent, Termite or Bug damage or infestation
12. Coverage does not apply if a rental unit becomes uninhabitable due to any reason
13. Additional labor charged to repair or replace damaged items will not be covered if the superintendent is a full time salaried employee of the Property Manager
14. Property that is not maintained in workable condition or is obsolete is not covered

DEFINITIONS

1. "Covered Renter" - all renters that are named on the lease agreement who share the same unit of accommodations and are current with scheduled monthly rental fees.
2. "Leasehold Term" - the contract for a Property Manager's unit, from the date the Covered Renter has signed the lease and has entered the unit for occupancy to the date the lease expires or the unit is vacated, whichever comes first (maximum 1 year lease).
3. "Covered Month" - the date in which the last scheduled rent and SDW payment has been made.

ADMINISTRATIVE PROCEDURES

All waivers of theft or damage will be administered by Property Manager staff at the property. Such staff will have the sole authority to determine the nature and extent of damages, necessary repairs and eligibility for the waiver of liability described herein. The Covered Renter must report any theft or damage to the unit or its contents to Property Manager staff by the time the lease expires or the unit is vacated, whichever occurs first otherwise applicable damage waiver for such Covered Renter will be void. The Property Manager has ultimate claim administration authority. Arbitration is required prior to litigation.

TERMS OF COVERAGE

1. The plan takes effect upon signing the lease agreement and when the Covered Renter has entered the unit for occupancy.
2. All coverage shall terminate upon: (a) normal expiration of the lease; (b) when the Covered Renter vacates the Property Manager's unit; or (c) 30 days after the last Covered Month if the damage or theft has not been reported, whichever occurs first.
3. Property Manager reserves the right to pursue payment for any damages or theft by any and all legal means possible in the event a loss occurs that is not covered under the SDW.

IMPORTANT NOTE: For existing renters coverage for the SDW begins after a walk through has been completed by Property Manager to determine there is no existing damage to the unit. Violation of any condition of the terms of Property Manager's lease agreement voids the SDW.

Property Manager provides this SDW. The obligations of Property Manager to make the repairs or replacements required under this plan are insured by the policy issued by Virginia Surety Company, Inc.

THIS DOCUMENT BECOMES PART OF AND IS ATTACHED TO THE LEASE AGREEMENT.
The SDW does not negate your responsibilities as a Tenant.