



## Filing Receipt

**Received - 2022-03-14 04:26:34 PM**

**Control Number - 52942**

**ItemNumber - 328**



# CY 2022 Registration of Submetered OR Allocated Utility Service

Control Number: **52942**  
 Registration No.: \_\_\_\_\_  
 (this number to be assigned by the PUC after your form is filed)

**NOTE:** Please **DO NOT** include any person or protected information on this form (ex: tax identification #'s, social security #'s, etc.)

**PROPERTY OWNER:** Do **not** enter the name of the owner's contract manager, management company, or billing company.

Name	Michael Koulakis						
Mailing Address:	6139 Centurion Way #500	City	Addison	State	Tx.	Zip	75001
Telephone# (AC)	972-458-2588						
E-mail	mike@wellsasset.com						

### NAME, ADDRESS, AND TYPE OF PROPERTY WHERE UTILITY SERVICE IS PROVIDED

Name	El Morocco Apartments						
Mailing Address:	3201 Finley Rd.	City	Irving	State	Tx.	Zip	75062
Telephone# (AC)							
E-mail	elmorocco@wellsasset.com						

<input checked="" type="checkbox"/> Apartment Complex	<input type="checkbox"/> Condominium	<input type="checkbox"/> Manufactured Home Rental Community	<input type="checkbox"/> Multiple-Use Facility
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If applicable, describe the "multiple-use facility" here:

### INFORMATION ON UTILITY SERVICE

Tenants are billed for	<input checked="" type="checkbox"/> Water	<input checked="" type="checkbox"/> Wastewater	<input type="checkbox"/> Submetered <u>OR</u>	<input checked="" type="checkbox"/> Allocated ★★★
Name of utility providing water/wastewater	City of Irving			
Date submetered or allocated billing begins (or began)	March 1st 2022	Required		

### METHOD USED TO OFFSET CHARGES FOR COMMON AREAS Check one line only.

<input type="checkbox"/> Not applicable, because	<input type="checkbox"/> Bills are based on the tenant's actual submetered consumption
<input type="checkbox"/>	<input type="checkbox"/> There are <b>neither</b> common areas <b>nor</b> an installed irrigation system

**All common areas and the irrigation system(s) are metered or submetered:**  
 We deduct the actual utility charges for water and wastewater to these areas then allocate the remaining charges among our tenants.

**This property has an installed irrigation system that is not separately metered or submetered:**  
 We deduct  percent (we deduct at least 25 percent) of the utility's total charges for water and wastewater consumption, then allocate the remaining charges among our tenants.

**This property has an installed irrigation system(s) that is/are separately metered or submetered:**  
 We deduct the actual utility charges associated with the irrigation system(s), then deduct at least 5 percent of the utility's total charges for water and wastewater consumption, then allocate the remaining charges among our tenants.

**This property does not have an installed irrigation system:**  
 We deduct at least 5 percent of the retail public utility's total charges for water and wastewater consumption, and then allocate the remaining charges among our tenants.

### ★★★IF UTILITY SERVICES ARE ALLOCATED, YOU MUST ALSO COMPLETE PAGE TWO OF THIS FORM ★★★

You can e-file this form online through the PUC Interchange Filer (<https://interchange.puc.texas.gov/filer>).  
 - You can find instructions for E-Filing at <https://www.puc.texas.gov/industry/filings/E-FilingInstructions.pdf>.

Or you may mail **one** copy to:  
 For USPS:

For all other delivery or courier services:

Public Utility Commission of Texas Central Records  
 P.O. Box 13326  
 Austin, TX 78711-3326

Public Utility Commission of Texas Central Records  
 1701 N. Congress Ave., 8-100  
 Austin, TX 78701

# METHOD USED TO ALLOCATE UTILITY CHARGES

Check the box or boxes that describe the allocation method used to bill tenants.

**1. Occupancy method:** The number of occupants in the tenant's dwelling unit is divided by the total number of occupants in all dwelling units at the beginning of the month for which bills are being rendered.

<input type="checkbox"/> <b>2. Ratio occupancy method:</b>  The number of occupants in the tenant's dwelling unit is adjusted as shown in the table to the right. This adjusted value is divided by the total of these values for all dwelling units occupied at the beginning of the retail public utility's billing period.	<b>Number of Occupants</b>	<b>Number of Occupants for Billing Purposes</b>
	1	1.0
	2	1.6
	3	2.2
	>3	2.2 + 0.4 for each additional occupant

<input type="checkbox"/> <b>3. Estimated occupancy method:</b>  The estimated occupancy for each unit is based on the number of bedrooms as shown in the table to the right. The estimated occupancy in the tenant's dwelling unit is divided by the total estimated occupancy in all dwelling units regardless of the actual number of occupants or occupied units.	<b>Number of Bedrooms</b>	<b>Number of Occupants for Billing Purposes</b>
	0 (Efficiency)	1
	1	1.6
	2	2.8
	3	4.0
	>3	4.0 + 1.2 for each additional bedroom

**For Box #4: if you check off with the % you will need to choose #1, #2, or # 3 from above as the remainder of no more than 50%.**

**4. Occupancy and size of rental unit**  percent (in which no more than 50%) of the utility bill for consumption is allocated using the occupancy method checked above. The remainder is allocated according to either:

- the size of the tenant's dwelling unit divided by the total size of all dwelling units, OR
- the size of the space rented by the tenant of a manufactured home divided by the size of all rental spaces.

**Submetered hot water:**  
The individually submetered hot water used in the tenant's dwelling unit is divided by all submetered hot water used in all dwelling units.

**Submetered cold water is used to allocate charges for hot water provided through a central system:**  
The individually submetered cold water used in the tenant's dwelling unit is divided by all submetered cold water used in all dwelling units.

**As outlined in the condominium contract. Describe:**

**Size of manufactured home rental space:**  
The size of the area rented by the tenant divided by the total area of all the size of rental spaces.

**Size of the rented space in a multi-use facility:**  
The square footage of the space rented by the tenant divided by the total square footage of all rental spaces.



TEXAS APARTMENT ASSOCIATION

M E M B E R

This Lease is valid only if filled out before January 1, 2024.

# Apartment Lease Contract

This is a binding contract. Read carefully before signing.

This Lease Contract ("Lease") is between you, the resident(s) as listed below and us. The terms "you" and "your" refer to all residents. The terms "we," "us," and "our" refer to the owner listed below.

## PARTIES

Residents OFFICE OFFICE

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Owner Delujo El Morocco Apartments

\_\_\_\_\_

\_\_\_\_\_

Occupants \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

## LEASE DETAILS

<b>A. Apartment (Par. 2)</b> Street Address: <u>3231 Finley Rd</u> Apartment No. <u>OFFICE</u> City: <u>Irving</u> State: <u>TX</u> Zip: <u>75062</u>				
<b>B. Initial Lease Term.</b> Begins: <u>03/01/2022</u> Ends at 11:59 p.m. on: <u>02/28/2023</u>				
<b>C. Monthly Base Rent (Par. 3)</b> \$ <u>1200.00</u>	<b>E. Security Deposit (Par. 5)</b> \$ <u>0.00</u>  <i>Note that this amount does not include any Animal Deposit, which would be reflected in an Animal Addendum.</i>	<b>F. Notice of Termination or Intent to Move Out (Par. 4)</b> A minimum of <u>60</u> days' written notice of termination or intent to move out required at end of initial Lease term or during renewal period  <i>If the number of days isn't filled in, notice of at least 30 days is required.</i>		
<b>D. Prorated Rent</b> \$ _____ <input checked="" type="checkbox"/> due for the remainder of 1st month or <input type="checkbox"/> for 2nd month				
<b>G. Late Fees (Par. 3.3)</b> <table border="0"> <tr> <td> <b>Initial Late Fee</b>  <input type="checkbox"/> _____ % of one month's monthly base rent or  <input checked="" type="checkbox"/> \$ <u>75.00</u> </td> <td> <b>Daily Late Fee</b>  <input type="checkbox"/> _____ % of one month's monthly base rent for _____ days or  <input checked="" type="checkbox"/> \$ <u>10.00</u> for _____ days           </td> </tr> </table> Due if rent unpaid by 11:59 p.m. on the <u>3rd</u> (3rd or greater) day of the month			<b>Initial Late Fee</b> <input type="checkbox"/> _____ % of one month's monthly base rent or <input checked="" type="checkbox"/> \$ <u>75.00</u>	<b>Daily Late Fee</b> <input type="checkbox"/> _____ % of one month's monthly base rent for _____ days or <input checked="" type="checkbox"/> \$ <u>10.00</u> for _____ days
<b>Initial Late Fee</b> <input type="checkbox"/> _____ % of one month's monthly base rent or <input checked="" type="checkbox"/> \$ <u>75.00</u>	<b>Daily Late Fee</b> <input type="checkbox"/> _____ % of one month's monthly base rent for _____ days or <input checked="" type="checkbox"/> \$ <u>10.00</u> for _____ days			
<b>H. Returned Check or Rejected Payment Fee (Par. 3.4)</b> \$ <u>50.00</u>	<b>J. Optional Early Termination Fee (Par. 7.2)</b> \$ _____ Notice of <u>60</u> days is required. <i>You are not eligible for early termination if you are in default.</i> Fee must be paid no later than _____ days after you give us notice <i>If values are blank or "0," then this section does not apply.</i>	<b>K. Animal Violation Charge (Par. 12.2)</b> Initial charge of \$ <u>100.00</u> per animal (not to exceed \$100 per animal) and  A daily charge of \$ <u>10.00</u> per animal (not to exceed \$10 per day per animal)		
<b>I. Reletting Charge (Par. 7.1)</b> A reletting charge of \$ <u>1049.75</u> (not to exceed 85% of the highest monthly Rent during the Lease term) may be charged in certain default situations				
<b>L. Additional Rent - Monthly Recurring Fixed Charges.</b> You will pay separately for these items as outlined below and/or in separate addenda, Special Provisions or an amendment to this Lease.				
Animal rent \$ <u>20.00</u> Internet \$ _____	Cable/satellite \$ _____ Package service \$ _____	Concierge trash \$ <u>10.00</u> Pest control \$ <u>5.00</u>		

## LEASE TERMS AND CONDITIONS

### 1. Definitions. The following terms are commonly used in this Lease:

- 1.1. **"Residents"** are those listed in "Residents" above who sign the Lease and are authorized to live in the apartment.
- 1.2. **"Occupants"** are those listed in this Lease who are also authorized to live in the apartment, but who do not sign the Lease.
- 1.3. **"Owner"** may be identified by an assumed name and is the owner only and not property managers or anyone else.
- 1.4. **"Including"** in this Lease means "including but not limited to."
- 1.5. **"Community Policies"** are the written apartment rules and policies, including property signage and instructions for care of our property and amenities, with which you, your occupants, and your guests must comply.
- 1.6. **"Rent"** is monthly base rent plus additional monthly recurring fixed charges.

### 2. Apartment. You are leasing the apartment listed above for use as a private residence only.

- 2.1. **Access.** In accordance with our Community Policies, you'll receive access information or devices for your apartment and mailbox, and other access devices including: \_\_\_\_\_
- 2.2. **Measurements.** Any dimensions and sizes provided to you relating to the apartment are only approximations or estimates; actual dimensions and sizes may vary.
- 2.3. **Representations.** You agree that designations or accreditations associated with the property are subject to change.

### 3. Rent. You must pay your Rent on or before the 1st day of each month (due date) without demand. There are no exceptions regarding the payment of Rent, and you agree not paying Rent on or before the 1st of each month is a material breach of this Lease.

- 3.1. **Payments.** You will pay your Rent by any method, manner and place we specify in accordance with our Community Policies. **Cash is not acceptable without our prior written permission. You cannot withhold or offset Rent unless authorized by law.** We may, at our option, require at any time that you pay Rent and other sums due in one single payment by any method we specify.
- 3.2. **Application of Payments.** Payment of each sum due is an independent covenant, which means payments are due regardless of our performance. When we receive money, other than water and wastewater payments subject to government regulation, we may apply it at our option and without notice first to any of your unpaid obligations, then to accrued rent. We may do so regardless of notations on checks or money orders and regardless of when the obligations arose. All sums other than Rent and late fees are due upon our demand. After the due date, we do not have to accept any payments.
- 3.3. **Late Fees.** If we don't receive your monthly base rent in full when it's due, you must pay late fees as outlined in Lease Details.
- 3.4. **Returned Payment Fee.** You'll pay the fee listed in Lease Details for each returned check or rejected electronic payment, plus initial and daily late fees if applicable, until we receive full payment in an acceptable method.
- 3.5. **Utilities and Services.** You'll pay for all utilities and services, related deposits, and any charges or fees when they are due and as outlined in this Lease. Television channels that are provided may be changed during the Lease term if the change applies to all residents.

If your electricity is interrupted, you must use only battery-operated lighting (no flames). You must not allow any utilities (other than cable or Internet) to be cut off or switched for any reason—including disconnection for not paying your bills—until the Lease term or renewal period ends. If a utility is individually metered, it must be connected in your name and you must notify the provider of your move-out date. If you delay getting service turned on in your name by the Lease's start date or cause it to be transferred back into our name before you surrender or abandon the apartment, you'll be liable for the charge listed above (not to exceed \$50 per billing period), plus the actual or estimated cost of the

### 4. Automatic Lease Renewal and Notice of Termination. This Lease will automatically renew month-to-month unless either party gives written notice of termination or intent to move out as required by Par. 25 and specified on page 1. **If the number of days isn't filled in, notice of at least 30 days is required.**

### 5. Security Deposit. The total security deposit for all residents is due on or before the date this Lease is signed. Any animal deposit will be designated in an animal addendum. Security deposits may not be applied to Rent without our prior written consent.

- 5.1. **Refunds and Deductions. You must give us your advance notice of move out as provided by Par. 25 and forwarding address in writing to receive a written description and itemized list of charges or refund. In accordance with our Community Policies and as allowed by law, we may deduct from your security deposit any amounts due under the Lease. If you move out early or in response to a notice to vacate, you'll be liable for rekeying charges.** Upon receipt of your move-out date and forwarding address in writing, the security deposit will be returned (less lawful deductions) with an itemized accounting of any deductions, no later than 30 days after surrender or abandonment, unless laws provide otherwise. Any refund may be by one payment jointly payable to all residents and distributed to any one resident we choose, or distributed equally among all residents.

### 6. Insurance. **Our insurance doesn't cover the loss of or damage to your personal property.** You will be required to have liability insurance as specified in our Community Policies or Lease addenda unless otherwise prohibited by law. If you have insurance covering the apartment or your personal belongings at the time you or we suffer or allege a loss, you agree to require your insurance carrier to waive any insurance subrogation rights. Even if not required, we urge you to obtain your own insurance for losses due to theft, fire, flood, water, pipe leaks and similar occurrences. Most renter's insurance policies don't cover losses due to a flood.

### 7. Reletting and Early Lease Termination. This Lease may not be terminated early except as provided in this Lease.

- 7.1. **Reletting Charge.** You'll be liable for a reletting charge as listed in Lease Details, (not to exceed 85% of the highest monthly Rent during the Lease term) if you: (A) fail to move in, or fail to give written move-out notice as required in Par. 25; (B) move out without paying Rent in full for the entire Lease term or renewal period; (C) move out at our demand because of your default; or (D) are judicially evicted. The reletting charge is not a termination, cancellation or buyout fee and does not release you from your obligations under this Lease, including liability for future or past-due Rent, charges for damages or other sums due.

The reletting charge is a liquidated amount covering only part of our damages—for our time, effort, and expense in finding and processing a replacement resident. These damages are uncertain and hard to ascertain—particularly those relating to inconvenience, paperwork, advertising, showing apartments, utilities for showing, checking prospects, overhead, marketing costs, and locator-service fees. You agree that the reletting charge is a reasonable estimate of our damages and that the charge is due whether or not our reletting attempts succeed.

- 7.2. **Early Lease Termination Procedures.** In addition to your termination rights referred to in 7.3 or 8.1 below, if this provision applies under Lease Details, you may terminate the Lease prior to the end of the Lease term **if all of the following occur:** (a) as outlined in Lease Details, you give us written notice of early termination, pay the early termination fee and specify the date by which you'll move out; (b) you are not in default at any time and do not hold over; and (c) you repay all rent concessions, credits or discounts you received during the Lease term. If you are in default, the Lease remedies apply.
- 7.3. **Special Termination Rights. You may have the right under Texas law to terminate the Lease early in certain situations involving military deployment or transfer, family violence, certain sexual offenses, stalking or death of a sole resident.**

### 8. Delay of Occupancy. We are not responsible for any delay of your occupancy caused by construction, repairs, cleaning, or a previous resident's holding over. This Lease will terminate if you do not

9. **Care of Unit and Damages.** You must promptly pay or reimburse us for loss, damage, consequential damages, government fines or charges, or cost of repairs or service in the apartment community because of a Lease or Community Policies violation; improper use, negligence, or other conduct by you, your invitees, your occupants, or your guests; or, as allowed by law, any other cause not due to our negligence or fault, except for damages by acts of God to the extent they couldn't be mitigated by your action or inaction.

**Unless damage or wastewater stoppage is due to our negligence, we're not liable for—and you must pay for—repairs and replacements occurring during the Lease term or renewal period, including: (A) damage from wastewater stoppages caused by improper objects in lines exclusively serving your apartment; (B) damage to doors, windows, or screens; and (C) damage from windows or doors left open.**

## RESIDENT LIFE

10. **Community Policies. Community Policies become part of the Lease and must be followed.** We may make changes, including additions, to our written Community Policies, and those changes can become effective immediately if the Community Policies are distributed and applicable to all units in the apartment community and do not change the dollar amounts in Lease Details.

10.1. **Photo/Video Release.** You give us permission to use any photograph, likeness, image or video taken of you while you are using property common areas or participating in any event sponsored by us.

10.2. **Disclosure of Information.** At our sole option, we may, but are not obligated to, share and use information related to this Lease for law-enforcement, governmental, or business purposes. At our request, you authorize any utility provider to give us information about pending or actual connections or disconnections of utility service to your apartment.

10.3. **Guests.** We may exclude from the apartment community any guests or others who, in our sole judgment, have been violating the law, violating this Lease or our Community Policies, or disturbing other residents, neighbors, visitors, or owner representatives. We may also exclude from any outside area or common area anyone who refuses to show photo identification or refuses to identify himself or herself as a resident, an authorized occupant, or a guest of a specific resident in the community.

Anyone not listed in this Lease cannot stay in the apartment for more than 7 days in one week without our prior written consent, and no more than twice that many days in any one month. If the previous space isn't filled in, 2 days total per week will be the limit.

10.4. **Notice of Convictions and Registration.** You must notify us within 15 days if you or any of your occupants: (A) are convicted of any felony, (B) are convicted of any misdemeanor involving a controlled substance, violence to another person, or destruction of property, or (C) register as a sex offender. Informing us of a criminal conviction or sex-offender registration doesn't waive any rights we may have against you.

10.5. **Odors and Noise.** You agree that odors, smoke and smells including those related to cooking and everyday noises or sounds are all a normal part of a multifamily living environment and that it is impractical for us to prevent them from penetrating your apartment.

11. **Conduct.** You agree to communicate and conduct yourself in a lawful, courteous and reasonable manner at all times when interacting with us, our representatives and other residents or occupants. Any acts of unlawful, discourteous or unreasonable communication or conduct by you, your occupants or guests is a breach of this Lease.

You must use customary diligence in maintaining the apartment, keeping it in a sanitary condition and not damaging or littering the common areas. Trash must be disposed of at least weekly. You will use your apartment and all other areas, including any balconies, with reasonable care. We may regulate the use of passageways, patios, balconies, porches, and activities in common areas.

11.1 **Prohibited Conduct.** You, your occupants and your

- (c) disturbing or threatening the rights, comfort, health, safety, or convenience of others, including us, our agents, or our representatives;
- (d) disrupting our business operations;
- (e) storing anything in closets containing water heaters or gas appliances;
- (f) tampering with utilities or telecommunication equipment;
- (g) bringing hazardous materials into the apartment community;
- (h) using windows for entry or exit;
- (i) heating the apartment with gas-operated appliances;
- (j) making bad-faith or false allegations against us or our agents to others;
- (k) smoking of any kind, that is not in accordance with our Community Policies or Lease addenda;
- (l) using glass containers in or near pools; or
- (m) conducting any kind of business (including child-care services) in your apartment or in the apartment community—except for any lawful business conducted “at home” by computer, mail, or telephone if customers, clients, patients, employees or other business associates do not come to your apartment for business purposes.

12. **Animals. No living creatures of any kind are allowed, even temporarily, anywhere in the apartment or apartment community unless we've given written permission.** If we allow an animal, you must sign a separate Animal Addendum and, except as set forth in the addendum, pay an animal deposit and applicable fees and additional monthly rent, as applicable. An animal deposit is considered a general security deposit. You represent that any requests, statements and representations you make, including those for an assistance or support animal, are true, accurate and made in good faith. Feeding stray, feral or wild animals is a breach of this Lease.

12.1. **Removal of Unauthorized Animal.** We may remove an unauthorized animal by (1) leaving, in a conspicuous place in the apartment, a written notice of our intent to remove the animal within 24 hours; and (2) following the procedures of Par. 14. We may: keep or kennel the animal; turn the animal over to a humane society, local authority or rescue organization; or return the animal to you if we consent to your request to keep the animal and you have completed and signed an Animal Addendum and paid all fees. When keeping or kenneling an animal, we won't be liable for loss, harm, sickness, or death of the animal unless due to our negligence. You must pay for the animal's reasonable care and kenneling charges.

12.2. **Violations of Animal Policies and Charges.** If you or any guest or occupant violates the animal restrictions of this Lease or our Community Policies, you'll be subject to charges, damages, eviction, and other remedies provided in this Lease, including animal violation charges listed in Lease Details from the date the animal was brought into your apartment until it is removed. If an animal has been in the apartment at any time during your term of occupancy (with or without our consent), we'll charge you for all cleaning and repair costs, including defleaing, deodorizing, and shampooing. Initial and daily animal-violation charges and animal-removal charges are liquidated damages for our time, inconvenience, and overhead in enforcing animal restrictions and Community Policies.

13. **Parking.** You may not be guaranteed parking. We may regulate the time, manner, and place of parking of all motorized vehicles and other modes of transportation, including bicycles and scooters, in our Community Policies. In addition to other rights we have to tow or boot vehicles under state law, we also have the right to remove, at the expense of the vehicle owner or operator, any vehicle that is not in compliance with our Community Policies.

## 15. Requests, Repairs and Malfunctions.

**15.1. Written Requests Required.** *If you or any occupant needs to send a request—for example, for repairs, installations, services, ownership disclosure, or security-related matters—it must be written and delivered to our designated representative in accordance with our Community Policies* (except for fair-housing accommodation or modification requests or situations involving imminent danger or threats to health or safety, such as fire, smoke, gas, explosion, or crime in progress). Our written notes regarding your oral request do not constitute a written request from you. Our complying with or responding to any oral request doesn't waive the strict requirement for written notices under this Lease. A request for maintenance or repair by anyone residing in your apartment constitutes a request from all residents. **The time, manner, method and means of performing maintenance and repairs, including whether or which vendors to use, are within our sole discretion.**

**15.2. Your Requirement to Notify.** You must promptly notify us in writing of air conditioning or heating problems, water leaks or moisture, mold, electrical problems, malfunctioning lights, broken or missing locks or latches, or any other condition that poses a hazard or threat to property, health, or safety. Unless we instruct otherwise, you are required to keep the apartment cooled or heated according to our Community Policies. Air conditioning problems are normally not emergencies.

**15.3. Utilities.** We may change or install utility lines or equipment serving the apartment if the work is done reasonably without substantially increasing your utility costs. We may turn off equipment and interrupt utilities as needed to perform work or to avoid property damage or other emergencies. If utilities malfunction or are damaged by fire, water, or similar cause, you must notify our representative immediately.

**15.4. Your Remedies.** We'll act with customary diligence to make repairs and reconnections within a reasonable time, taking into consideration when casualty-insurance proceeds are received. Unless required by statute after a casualty loss, or during equipment repair, your Rent will not abate in whole or in part. "Reasonable time" accounts for the severity and nature of the problem and the reasonable availability of materials, labor, and utilities. ***If we fail to timely repair a condition that materially affects the physical health or safety of an ordinary resident as required by the Texas Property Code, you may be entitled to exercise remedies under § 92.056 and § 92.0561 of the Texas Property Code. If you follow the procedures under those sections, the following remedies, among others, may be available to you: (1) termination of the Lease and an appropriate refund under 92.056(f); (2) have the condition repaired or remedied according to § 92.0561; (3) deduct from the Rent the cost of the repair or remedy according to § 92.0561; and 4) judicial remedies according to § 92.0563.***

**16. Our Right to Terminate for Apartment Community Damage or Closure.** If, in our sole judgment, damages to the unit or building are significant or performance of needed repairs poses a danger to you, we may terminate this Lease and your right to possession by giving you at least 7 days' written notice. If termination occurs, you agree we'll refund only prorated rent and all deposits, minus lawful deductions. We may remove your personal property if, in our sole judgment, it causes a health or safety hazard or impedes our ability to make repairs.

**16.1. Property Closure.** We also have the right to terminate this Lease and your right to possession by giving you at least 30 days' written notice of termination if we are demolishing your apartment or closing it and it will no longer be used for residential purposes for at least 6 months, or if any part of the property becomes subject to an eminent domain proceeding.

**17. Assignments and Subletting.** You may not assign this Lease or sublet your apartment. You agree that you won't rent, offer to rent or

*Texas Property Code secs. 92.151, 92.153, and 92.154 require, with some exceptions, that we provide at no cost to you when occupancy begins: (A) a window latch on each window; (B) a doorviewer (peep-hole or window) on each exterior door; (C) a pin lock on each sliding door; (D) either a door-handle latch or a security bar on each sliding door; (E) a keyless bolting device (deadbolt) on each exterior door; and (F) either a keyed doorknob lock or a keyed deadbolt lock on one entry door. Keyed locks will be rekeyed after the prior resident moves out. The rekeying will be done either before you move in or within 7 days after you move in, as required by law. If we fail to install or rekey security devices as required by law, you have the right to do so and deduct the reasonable cost from your next Rent payment under Texas Property Code sec. 92.165(1). We may deactivate or not install keyless bolting devices on your doors if (A) you or an occupant in the dwelling is over 55 or disabled, and (B) the requirements of Texas Property Code sec. 92.153(e) or (f) are satisfied.*

**18.1. Smoke Alarms and Detection Devices.** We'll furnish smoke alarms or other detection devices required by law or city ordinance. We may install additional detectors not so required. We'll test them and provide working batteries when you first take possession of your apartment. Upon request, we'll provide, as required by law, a smoke alarm capable of alerting a person with a hearing impairment.

You must pay for and replace batteries as needed, unless the law provides otherwise. We may replace dead or missing batteries at your expense, without prior notice to you. Neither you nor your guests or occupants may disable alarms or detectors. ***If you damage or disable the smoke alarm or remove a battery without replacing it with a working battery, you may be liable to us under Texas Property Code sec. 92.2611 for \$100 plus one month's Rent, actual damages, and attorney's fees.***

**18.2. Duty to Report.** You must immediately report to us any missing, malfunctioning or defective security devices, smoke alarms or detectors. You'll be liable if you fail to report malfunctions, or fail to report any loss, damage, or fines resulting from fire, smoke, or water.

**19. Resident Safety and Loss.** ***Unless otherwise required by law, none of us, our employees, agents, or management companies are liable to you, your guests or occupants for any damage, personal injury, loss to personal property, or loss of business or personal income, from any cause, including but not limited to: negligent or intentional acts of residents, occupants, or guests; theft, burglary, assault, vandalism or other crimes; fire, flood, water leaks, rain, hail, ice, snow, smoke, lightning, wind, explosions, interruption of utilities, pipe leaks or other occurrences unless such damage, injury or loss is caused exclusively by our negligence.***

***We do not warrant security of any kind.*** You agree that you will not rely upon any security measures taken by us for personal security, and that you will call 911 and local law enforcement authorities if any security needs arise.

You acknowledge that we are not equipped or trained to provide personal security services to you, your guests or occupants. You recognize that we are not required to provide any private security services and that no security devices or measures on the property are fail-safe. You further acknowledge that, even if an alarm or gate amenities are provided, they are mechanical devices that can malfunction. Any charges resulting from the use of an intrusion alarm will be charged to you, including, but not limited to, any false alarms with police/fire/ambulance response or other required city charges.

**20. Condition of the Premises and Alterations.**

**20.1. As-Is.** ***We disclaim all implied warranties.*** You accept the apartment, fixtures, and furniture as is, except for conditions materially affecting the health or safety of ordinary persons. You'll be given an Inventory and Condition Form at or before move-in. You agree that after completion of the form or within 48 hours after move-in, whichever comes first, you must note on the form all defects or damage, sign the form, return it to us, and the form accurately reflects the condition of the premises for purposes of determining any refund due to

cameras, video or other doorbells, or lock changes, additions, or rekeying is permitted unless required by law or we've consented in writing. You may install a satellite dish or antenna, but only if you sign our satellite-dish or antenna lease addendum, which complies with reasonable restrictions allowed by federal law. You must not alter, damage, or remove our property, including alarm systems, detection devices, appliances, furniture, telephone and television wiring, screens, locks, or security devices. When you move in, we'll supply light bulbs for fixtures we furnish, including exterior fixtures operated from inside the apartment; after that, you'll replace them at your expense with bulbs of the same type and wattage. Your improvements to the apartment (made with or without our consent) become ours unless we agree otherwise in writing.

**21. Notices.** Written notice to or from our employees, agents, or management companies constitutes notice to or from us. Notices to you or any other resident of the apartment constitute notice to all residents. Notices and requests from any resident constitute notice from all residents. Only residents can give notice of Lease termination and intent to move out under Par. 7.3. All notices and documents will be in English and, at our option, in any other language that you read or speak.

**21.1. Electronic Notice.** Notice may be given electronically **by us to you** if allowed by law. If allowed by law and in accordance with our Community Policies, electronic notice **from you to us** must be sent to the email address and/or portal specified in Community Policies. Notice may also be given by phone call or to a physical address if allowed in our Community Policies.

You represent that you have provided your current email address to us, and that you will notify us in the event your email address changes.

## EVICTON AND REMEDIES

**22. Liability.** Each resident is jointly and severally liable for all Lease obligations. If you or any guest or occupant violates the Lease or our Community Policies, all residents are considered to have violated the Lease.

**22.1. Indemnification by You.** *You'll defend, indemnify and hold us and our employees, agents, and management company harmless from all liability arising from your conduct or requests to our representatives and from the conduct of or requests by your invitees, occupants or guests.*

**23. Default by Resident.**

**23.1. Acts of Default.** You'll be in default if: (A) you don't timely pay Rent, including monthly recurring charges, or other amounts you owe; (B) you or any guest or occupant violates this Lease, our Community Policies, or fire, safety, health, criminal or other laws, regardless of whether or where arrest or conviction occurs; (C) you give incorrect, incomplete, or false answers in a rental application or in this Lease; or (D) you or any occupant is charged, detained, convicted, or given deferred adjudication or pretrial diversion for (1) an offense involving actual or potential physical harm to a person, or involving the manufacture or delivery of a controlled substance, marijuana, or drug paraphernalia as defined in the Texas Controlled Substances Act, or (2) any sex-related crime, including a misdemeanor.

**23.2. Eviction.** *If you default, including holding over, we may end your right of occupancy by giving you at least a 24-hour written notice to vacate.* Termination of your possession rights doesn't release you from liability for future Rent or other Lease obligations. *After giving notice to vacate or filing an eviction suit, we may still accept Rent or other sums due; the filing or acceptance doesn't waive or diminish our right of eviction or any other contractual or statutory right.* Accepting money at any time doesn't waive our right to damages, to past or future Rent or other sums, or to our continuing with eviction proceedings. In an eviction, Rent is owed for the full rental period and will continue to be owed if you don't pay the first month's Rent when or before the Lease begins, all future Rent for the Lease term will be automatically accelerated without notice and become immediately due. We also may end your right of occupancy and recover damages, future Rent, attorney's fees, court costs, and other lawful charges.

If you don't pay the first month's Rent when or before the Lease begins, all future Rent for the Lease term will be automatically accelerated without notice and become immediately due. We also may end your right of occupancy and recover damages, future Rent, attorney's fees, court costs, and other lawful charges.

**23.4. Holdover.** You or any occupant or guest must not hold over beyond the date contained in: (1) your move-out notice, (2) our notice to vacate, (3) our notice of non-renewal, or (4) a written agreement specifying a different move-out date. If a holdover occurs, then you'll be liable to us for all Rent for the full term of the previously signed lease of a new resident who can't occupy because of the holdover, and at our option, we may extend the Lease term and/or increase the Rent by 25% by delivering written notice to you or your apartment while you continue to hold over.

**23.5. Other Remedies.** We may report unpaid amounts to credit agencies as allowed by law. If we or our debt collector tries to collect any money you owe us, you agree that we or the debt collector may contact you by any legal means. If you default, you will pay us, in addition to other sums due, any rental discounts or concessions agreed to in writing that have been applied to your account. We may recover attorney's fees in connection with enforcing our rights under this Lease. All unpaid amounts you owe bear interest at the rate provided by Texas Finance Code Section 304.003(c) from the due date. You must pay all collection-agency fees if you fail to pay sums due within 10 days after you are mailed a letter demanding payment and stating that collection-agency fees will be added if you don't pay all sums by that deadline. You are also liable for a charge (not to exceed \$150) to cover our time, cost and expense for any eviction proceeding against you, plus our attorney's fees and expenses, court costs, and filing fees actually paid.

**24. Representatives' Authority and Waivers.** *Our representatives (including management personnel, employees, and agents) have no authority to waive, amend, or terminate this Lease or any part of it unless in writing and signed, and no authority to make promises, representations, or agreements that impose security duties or other obligations on us or our representatives, unless in writing and signed.* No action or omission by us will be considered a waiver of our rights or of any subsequent violation, default, or time or place of performance. *Our choice to enforce, not enforce or delay enforcement of written-notice requirements, rental due dates, acceleration, liens, or any other rights isn't a waiver under any circumstances.* Delay in demanding sums you owe is not a waiver. Except when notice or demand is required by law, you waive any notice and demand for performance from us if you default. Nothing in this Lease constitutes a waiver of our remedies for a breach under your prior lease that occurred before the Lease term begins.

All remedies are cumulative. Exercising one remedy won't constitute an election or waiver of other remedies. All provisions regarding our nonliability or nonduty apply to our employees, agents, and management companies. No employee, agent, or management company is personally liable for any of our contractual, statutory, or other obligations merely by virtue of acting on our behalf.

## END OF THE LEASE TERM

**25. Move-Out Notice.** *Before moving out, you must give our representative advance written move-out notice as stated in Par. 4, even if the Lease has become a month-to-month lease.* The move-out date can't be changed unless we and you both agree in writing.

*Your move-out notice must comply with each of the following:*

- (a) Unless we require more than 30 days' notice, if you give notice on the first day of the month you intend to move out, move out will be on the last day of that month.
- (b) Your move-out notice must not terminate the Lease before the end of the Lease term or renewal period.
- (c) If we require you to give us more than 30 days' written notice to move out before the end of the Lease term, we will give you 1 written reminder not less than 5 days nor



**26.2. Move-Out Inspection.** We may, but are not obligated to, provide a joint move-out inspection. Our representatives have no authority to bind or limit us regarding deductions for repairs, damages, or charges. Any statements or estimates by us or our representative are subject to our correction, modification, or disapproval before final accounting or refunding.

**27. Surrender and Abandonment.** You have **surrendered** the apartment when: (A) the move-out date has passed and no one is living in the apartment in our reasonable judgment; **or** (B) apartment keys and access devices listed in Par. 2.1 have been turned in to us—which ever happens first.

You have **abandoned** the apartment when all of the following have occurred: (A) everyone appears to have moved out in our reasonable judgment; (B) you've been in default for nonpayment of Rent for 5 consecutive days, or water, gas, or electric service for the apartment not connected in our name has been terminated or transferred; **and** (C) you've not responded for 2 days to our notice left on the inside of the main entry door stating that we consider the apartment abandoned. An apartment is also considered abandoned 10 days after the death of a sole resident.

**27.1. The Ending of Your Rights.** Surrender, abandonment, or judicial eviction ends your right of possession for all purposes and gives us the immediate right to clean up, make repairs in, and relet the apartment; determine any security-deposit deductions; and remove or store property left in the apartment.

**27.2. Removal and Storage of Property.** We, or law officers, may—but have no duty to—remove or store all property that in our sole judgment belongs to you and remains in the apartment or in common areas (including any vehicles you or any occupant or guest owns or uses) after you're judicially evicted or if you surrender or abandon the apartment.

**We're not liable for casualty, loss, damage, or theft.** You must pay reasonable charges for our packing, removing and storing any property.

Except for animals, we may throw away or give to a charitable organization all personal property that is:

- (1) left in the apartment after surrender or abandonment; **or**
- (2) left outside more than 1 hour after writ of possession is executed, following judicial eviction.

An animal removed after surrender, abandonment, or eviction may be kennelled or turned over to a local authority, humane society, or rescue organization.

**GENERAL PROVISIONS AND SIGNATURES**

**28. TAA Membership.** We, the management company representing us, or any locator service that you used confirms membership in good standing of both the Texas Apartment Association and the affiliated local apartment association for the area where the apartment is located at the time of signing this Lease. If not, the following applies: (A) this Lease is voidable at your option and is unenforceable by us (except for property damages); and (B) we may not recover past or future rent or other charges. The above remedies also apply if both of the following occur: (1) the Lease is automatically renewed on a month-to-month basis more than once after membership in TAA and the local association has lapsed; and (2) neither the owner nor the management company is a member of TAA and the local association during the third automatic renewal. A signed affidavit from the affiliated local apartment association attesting to nonmembership when the Lease or renewal was signed will be conclusive evidence of nonmembership. Governmental entities may use TAA forms if TAA agrees in writing.

Name, address and telephone number of locator service (if applicable):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**29. Severability and Survivability.** If any provision of this Lease is invalid or unenforceable under applicable law, it won't invalidate the remainder of the Lease or change the intent of the parties. **Paragraphs 10.1, 10.2, 16, 27 and 31 shall survive the termination of this Lease.**

**YOU UNDERSTAND THAT, WITHOUT THIS WAIVER, YOU COULD BE A PARTY IN A CLASS ACTION LAWSUIT. BY SIGNING THIS LEASE, YOU ACCEPT THIS WAIVER AND CHOOSE TO HAVE ANY CLAIMS DECIDED INDIVIDUALLY. THE PROVISIONS OF THIS PARAGRAPH SHALL SURVIVE THE TERMINATION OR EXPIRATION OF THIS LEASE.**

**31.2. Force Majeure.** If we are prevented from completing substantial performance of any obligation under this Lease by occurrences that are beyond our control, including but not limited to, an act of God, strikes, epidemics, war, acts of terrorism, riots, flood, fire, hurricane, tornado, sabotage or governmental regulation, then we shall be excused from any further performance of obligations to the fullest extent allowed by law.

**32. Special Provisions.** The following, or attached Special Provisions and any addenda or Community Policies provided to you, are part of this Lease and supersede any conflicting provisions in this Lease.

Tenant agrees to pay \$10.00 for trash and \$5.00 for pest control monthly. You will be billed back for allocated water, sewer and electric.

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**Before submitting a rental application or signing this Lease, you should review the documents and may consult an attorney. You are bound by this Lease when it is signed. An electronic signature is binding. This Lease is the entire agreement between you and us. You are NOT relying on any oral representations.**

*Resident or Residents (all sign below)*

\_\_\_\_\_  
(Name of Resident) Date signed

\_\_\_\_\_  
(Name of Resident) Date signed

\_\_\_\_\_  
(Name of Resident) Date signed

\_\_\_\_\_  
(Name of Resident) Date signed

\_\_\_\_\_  
(Name of Resident) Date signed

## LEASE ADDENDUM FOR ALLOCATING WATER/WASTEWATER COSTS

1. **Addendum.** This is an addendum to the TAA Lease Contract for Apt. No. \_\_\_\_\_ OFFICE \_\_\_\_\_ in the  
Delujo El Morocco Apartments

\_\_\_\_\_ Apartments in Irving,  
Texas. The terms of this addendum will control if the terms of the Lease and this addendum conflict.

2. **Reason for allocation.** When water and wastewater bills are paid 100 percent by the property owner, residents have no incentive to conserve water. This results in a waste of our state's natural resources and adds to the overhead of the property—and that usually means higher rents. Allocation of water bills saves money for residents because it encourages them to conserve water and wastewater. We as owners also have incentive to conserve because we are required by law to pay a portion of the total water bill(s) for the entire apartment community.
3. **Your payment due date.** Payment of your allocated water/wastewater bill is due 16 days after the date it is postmarked or hand delivered to your apartment. You agree to mail or deliver payment to the place indicated on your bill so that payment is received no later than the due date. You will pay a late charge of 5 percent of your water/wastewater bill if we don't receive timely payment. If you are late in paying the water bill, we may not cut off your water; but we may immediately exercise all other lawful remedies, including eviction—just like late payment of rent.
4. **Allocation procedures.** Your monthly rent under the TAA Lease Contract does not include a charge for water and wastewater. Instead, you will be receiving a separate bill from us each month for such utilities. We may include this item as a separate and distinct charge as part of a multi-item bill. We will allocate the monthly mastermeter water/wastewater bill(s) for the apartment community, based on an allocation method approved by the Public Utility Commission of Texas (PUC) and described below.

The allocation method that we will use in calculating your bill is noted below and described in the following subdivision of Section 24.124 of the PUC rules (*check only one*):

- subdivision (i) actual occupancy;
- subdivision (ii) ratio occupancy (PUC average for number of occupants in unit);
- subdivision (iii) average occupancy (PUC average for number of bedrooms in unit);
- subdivision (iv) combination of actual occupancy and square feet of the apartment; or
- subdivision (v) submetered hot/cold water, ratio to total.

The normal date on which the utility company sends its monthly bill to us for the water/wastewater mastermeter is about the 15 day of the month. Within 10 days thereafter, we will try to allocate that mastermeter bill among our residents by allocated billings.

5. **Common area deduction.** We will calculate your allocated share of the mastermetered water/wastewater bill according to PUC rules. Before calculating your portion of the bill, we will deduct for irrigation of landscaping and all other common area uses, as required by PUC rules. We will also deduct for any utility company base charges and customer service charges so that you won't be paying any part of such charges for vacant units. No administrative or other fees will be added to the total mastermeter water/wastewater bill(s) to be allocated unless expressly allowed by PUC rules. No other amounts will be included in the bill except your unpaid balances and any late fees you incur. If we fail to pay our mastermeter bill to the utility company on time and incur penalties or interest, no portion of such amounts will be included in your bill.
6. **Change of allocation formula.** The above allocation formula for determining your share of the mastermetered water/wastewater bill cannot be changed except as follows: (1) the new formula is one approved by the PUC; (2) you receive notice of the new formula at least 35 days before it takes effect; and (3) you agree to the change in a signed lease renewal or signed mutual agreement.
7. **Previous average.** As required under PUC rules, you are notified that the average monthly bill for all dwelling units in the previous calendar year was \$ 49.46 per unit, varying from \$ 36.51 to \$ 81.42 for the lowest to highest month's bills for any unit in the apartment community for this period, if such information is available. The above amounts do not reflect future changes in utility company water rates, weather variations, total water consumption, residents' water consumption habits, etc.
8. **Right to examine records.** During regular weekday office hours, you may examine: (1) our water/wastewater bills from the utility company; (2) our calculations of your monthly allocations; and (3) any other information available to you under PUC rules. Please give us reasonable advance notice to gather the data. Any disputes relating to the computation of your bill will be between you and us.
9. **PUC.** Water allocation billing is regulated by the PUC. A copy of the rules is attached. This addendum complies with those rules.
10. **Conservation efforts.** We agree to use our best efforts to repair any water leaks inside or outside your apartment no later than 7 days after learning of them. You agree to use your best efforts to conserve water and notify us of leaks.

**Water allocation and submetering is regulated by the Texas Public Utility Commission (PUC). In accordance with PUC rules, a copy of the applicable rules are provided to you below:**

**SUBCHAPTER H: WATER UTILITY SUBMETERING AND ALLOCATION**

**§24.275. General Rules and Definitions.**

- (a) Purpose and scope. The provisions of this subchapter are intended to establish a comprehensive regulatory system to assure that the practices involving submetered and allocated billing of dwelling units and multiple use facilities for water and sewer utility service are just and reasonable and include appropriate safeguards for tenants.
- (b) Application. The provisions of this subchapter apply to apartment houses, condominiums, multiple use facilities, and manufactured home rental communities billing for water and wastewater utility service on a submetered or allocated basis. The provisions of this subchapter do not limit the authority of an owner, operator, or manager of an apartment house, manufactured home rental community, or multiple-use facility to charge, bill for, or collect rent, an assessment, an administrative fee, a fee relating to upkeep or management of chilled water, boiler, heating, ventilation, air conditioning, or other building system, or any other amount that is unrelated to water and sewer utility service costs.
- (c) Definitions. The following words and terms, when used in this subchapter, have the following meanings, unless the context clearly indicates otherwise.
  - (1) Allocated utility service—Water or wastewater utility service that is master metered to an owner by a retail public utility and allocated to tenants by the owner.
  - (2) Apartment house – A building or buildings containing five or more dwelling units that are occupied primarily for nontransient use, including a residential condominium whether rented or owner occupied, and if a dwelling unit is rented, having rental paid at intervals of one month or longer.
  - (3) Condominium manager – A condominium unit owners' association organized under Texas Property Code §82.101, or an incorporated or unincorporated entity comprising the council of owners under Chapter 81, Property Code. Condominium Manager and Manager of a Condominium have the same meaning.
  - (4) Customer service charge—A customer service charge is a rate that is not dependent on the amount of water used through the master meter.
  - (5) Dwelling unit – One or more rooms in an apartment house or condominium, suitable for occupancy as a residence, and containing kitchen and bathroom facilities; a unit in a multiple use facility; or a manufactured home in a manufactured home rental community.
  - (6) Dwelling unit base charge – A flat rate or fee charged by a retail public utility for each dwelling unit recorded by the retail public utility.
  - (7) Manufactured home rental community – A property on which spaces are rented for the occupancy of manufactured homes for nontransient residential use and for which rental is paid at intervals of one month or longer.
  - (8) Master meter—A meter used to measure, for billing purposes, all water usage of an apartment house, condominium, multiple use facility, or manufactured home rental community, including common areas, common facilities, and dwelling units.
  - (9) Multiple use facility – A commercial or industrial park, office complex, or marina with five or more units that are occupied primarily for nontransient use and are rented at intervals of one month or longer.
  - (10) Occupant – A tenant or other person authorized under a written agreement to occupy a dwelling.
  - (11) Overcharge – The amount, if any, a tenant is charged for submetered or nonsubmetered master metered utility service to the tenant's dwelling unit after a violation occurred relating to the assessment of a portion of utility costs in excess of the amount the tenant would have been charged under this subchapter. Overcharge and Overbilling have the same meaning.
  - (12) Owner – The legal titleholder of an apartment house, a manufactured home rental community, or a multiple use facility; a condominium association; or any individual, firm, or corporation that purports to be the landlord of tenants in an apartment house, manufactured home rental community, or multiple use facility.

- (14) Submetered utility service – Water utility service that is master metered for the owner by the retail public utility and individually metered by the owner at each dwelling unit; wastewater utility service based on submetered water utility service; water utility service measured by point-of-use submeters when all of the water used in a dwelling unit is measured and totaled; or wastewater utility service based on total water use as measured by point-of-use submeters.
- (15) Tenant – A person who owns or is entitled to occupy a dwelling unit or multiple use facility unit to the exclusion of others and, if rent is paid, who is obligated to pay for the occupancy under a written or oral rental agreement.
- (16) Undercharge – The amount, if any, a tenant is charged for submetered or nonsubmetered master metered utility service to the tenant's dwelling unit less than the amount the tenant would have been charged under this subchapter. Overcharge and Overbilling have the same meaning.
- (17) Utility costs – Any amount charged to the owner by a retail public utility for water or wastewater service. Utility Costs and Utility Service Costs have the same meaning.
- (18) Utility service – For purposes of this subchapter, utility service includes only drinking water and wastewater.

**§24.277. Owner Registration and Records.**

- (a) Registration. An owner who intends to bill tenants for submetered or allocated utility service or who changes the method used to bill tenants for utility service shall register with the commission in a form prescribed by the commission.
- (b) Water quantity measurement. Except as provided by subsections (c) and (d) of this section, a manager of a condominium or the owner of an apartment house, manufactured home rental community, or multiple use facility, on which construction began after January 1, 2003, shall provide for the measurement of the quantity of water, if any, consumed by the occupants of each unit through the installation of:
  - (1) submeters, owned by the property owner or manager, for each dwelling unit or rental unit; or
  - (2) individual meters, owned by the retail public utility, for each dwelling unit or rental unit.
- (c) Plumbing system requirement. An owner of an apartment house on which construction began after January 1, 2003, and that provides government assisted or subsidized rental housing to low or very low income residents shall install a plumbing system in the apartment house that is compatible with the installation of submeters for the measurement of the quantity of water, if any, consumed by the occupants of each unit.
- (d) Installation of individual meters. On the request by the property owner or manager, a retail public utility shall install individual meters owned by the utility in an apartment house, manufactured home rental community, multiple use facility, or condominium on which construction began after January 1, 2003, unless the retail public utility determines that installation of meters is not feasible. If the retail public utility determines that installation of meters is not feasible, the property owner or manager shall install a plumbing system that is compatible with the installation of submeters or individual meters. A retail public utility may charge reasonable costs to install individual meters.
- (e) Records. The owner shall make the following records available for inspection by the tenant or the commission or commission staff at the on-site manager's office during normal business hours in accordance with subsection (g) of this section. The owner may require that the request by the tenant be in writing and include:
  - (1) a current and complete copy of TWC, Chapter 13, Subchapter M;
  - (2) a current and complete copy of this subchapter;
  - (3) a current copy of the retail public utility's rate structure applicable to the owner's bill;
  - (4) information or tips on how tenants can reduce water usage;
  - (5) the bills from the retail public utility to the owner;
  - (6) for allocated billing:
    - (A) the formula, occupancy factors, if any, and percentages used to calculate tenant bills;
    - (B) the total number of occupants or equivalent occupants if an equivalency

community, or multiple use facility used for billing if dwelling unit size or rental space is used;

- (7) for submetered billing:
    - (A) the calculation of the average cost per gallon, liter, or cubic foot;
    - (B) if the unit of measure of the submeters or point-of-use submeters differs from the unit of measure of the master meter, a chart for converting the tenant's submeter measurement to that used by the retail public utility;
    - (C) all submeter readings; and
    - (D) all submeter test results;
  - (8) the total amount billed to all tenants each month;
  - (9) total revenues collected from the tenants each month to pay for water and wastewater service; and
  - (10) any other information necessary for a tenant to calculate and verify a water and wastewater bill.
- (f) Records retention. Each of the records required under subsection (e) of this section shall be maintained for the current year and the previous calendar year, except that all submeter test results shall be maintained until the submeter is permanently removed from service.
- (g) Availability of records
- (1) If the records required under subsection (e) of this section are maintained at the on-site manager's office, the owner shall make the records available for inspection at the on-site manager's office within three days after receiving a written request.
  - (2) If the records required under subsection (e) of this section are not routinely maintained at the on-site manager's office, the owner shall provide copies of the records to the on-site manager within 15 days of receiving a written request from a tenant or the commission or commission staff.
  - (3) If there is no on-site manager, the owner shall make copies of the records available at the tenant's dwelling unit at a time agreed upon by the tenant within 30 days of the owner receiving a written request from the tenant.
  - (4) Copies of the records may be provided by mail if postmarked by midnight of the last day specified in paragraph (1), (2), or (3) of this subsection.

#### §24.279. Rental Agreement.

- (a) Rental agreement content. The rental agreement between the owner and tenant shall clearly state in writing:
- (1) the tenant will be billed by the owner for submetered or allocated utility services, whichever is applicable;
  - (2) which utility services will be included in the bill issued by the owner;
  - (3) any disputes relating to the computation of the tenant's bill or the accuracy of any submetering device will be between the tenant and the owner;
  - (4) the average monthly bill for all dwelling units in the previous calendar year and the highest and lowest month's bills for that period;
  - (5) if not submetered, a clear description of the formula used to allocate utility services;
  - (6) information regarding billing such as meter reading dates, billing dates, and due dates;
  - (7) the period of time by which owner will repair leaks in the tenant's unit and in common areas, if common areas are not submetered;
  - (8) the tenant has the right to receive information from the owner to verify the utility bill; and
  - (9) for manufactured home rental communities and apartment houses, the service charge percentage permitted under §24.124(d)(3) (related to Charges and Calculations) of this title that will be billed to tenants.
- (b) Requirement to provide rules. At the time a rental agreement is discussed, the owner shall provide a copy of this subchapter or a copy of the rules to the tenant to inform the tenant of his rights and the owner's responsibilities under this subchapter.
- (c) Tenant agreement to billing method changes. An owner shall not change the method by which a tenant is billed unless the tenant has agreed to the change by signing a lease or other written agreement. The owner shall provide

submetered billing to allocated billing, except after receiving written approval from the commission after a demonstration of good cause and if the rental agreement requirements under subsections (a), (b), and (c) of this section have been met. Good cause may include:

- (1) equipment failures; or
  - (2) meter reading or billing problems that could not feasibly be corrected.
- (e) Waiver of tenant rights prohibited. A rental agreement provision that purports to waive a tenant's rights or an owner's responsibilities under this subchapter is void.

#### §24.281. Charges and Calculations.

- (a) Prohibited charges. Charges billed to tenants for submetered or allocated utility service may only include bills for water or wastewater from the retail public utility and must not include any fees billed to the owner by the retail public utility for any deposit, disconnect, reconnect, late payment, or other similar fees.
- (b) Dwelling unit base charge. If the retail public utility's rate structure includes a dwelling unit base charge, the owner shall bill each dwelling unit for the base charge applicable to that unit. The owner may not bill tenants for any dwelling unit base charges applicable to unoccupied dwelling units.
- (c) Customer service charge. If the retail public utility's rate structure includes a customer service charge, the owner shall bill each dwelling unit the amount of the customer service charge divided by the total number of dwelling units, including vacant units, that can receive service through the master meter serving the tenants.
- (d) Calculations for submetered utility service. The tenant's submetered charges must include the dwelling unit base charge and customer service charge, if applicable, and the gallonage charge and must be calculated each month as follows:
- (1) water utility service: the retail public utility's total monthly charges for water service (less dwelling unit base charges or customer service charges, if applicable), divided by the total monthly water consumption measured by the retail public utility to obtain an average water cost per gallon, liter, or cubic foot, multiplied by the tenant's monthly consumption or the volumetric rate charged by the retail public utility to the owner multiplied by the tenant's monthly water consumption;
  - (2) wastewater utility service: the retail public utility's total monthly charges for wastewater service (less dwelling unit base charges or customer service charges, if applicable), divided by the total monthly water consumption measured by the retail public utility, multiplied by the tenant's monthly consumption or the volumetric wastewater rate charged by the retail public utility to the owner multiplied by the tenant's monthly water consumption;
  - (3) service charge for manufactured home rental community or the owner or manager of apartment house: a manufactured home rental community or apartment house may charge a service charge in an amount not to exceed 9% of the tenant's charge for submetered water and wastewater service, except when:
    - (A) the resident resides in a unit of an apartment house that has received an allocation of low income housing tax credits under Texas Government Code, Chapter 2306, Subchapter DD; or
    - (B) the apartment resident receives tenant-based voucher assistance under United States Housing Act of 1937 Section 8, (42 United States Code, § 1437f); and
  - (4) final bill on move-out for submetered service: if a tenant moves out during a billing period, the owner may calculate a final bill for the tenant before the owner receives the bill for that period from the retail public utility. If the owner is billing using the average water or wastewater cost per gallon, liter, or cubic foot as described in paragraph (1) of this subsection, the owner may calculate the tenant's bill by calculating the tenant's average volumetric rate for the last three months and multiplying that average volumetric rate by the tenant's consumption for the billing period.
- (e) Calculations for allocated utility service.
- (1) Before an owner may allocate the retail public utility's master meter bill for water and sewer service to the tenants, the owner shall first deduct:
    - (A) dwelling unit base charges or customer service charge, if applicable; and
    - (B) common area usage such as installed landscape irrigation systems, pools and laundry rooms, if any, as follows:
      - (i) if all common areas are separately metered or submetered, deduct

submetered and there is an installed landscape irrigation system, deduct at least 25% of the retail public utility's master meter bill;

- (iii) if all water used for an installed landscape irrigation system is metered or submetered and there are other common areas such as pools or laundry rooms that are not metered or submetered, deduct at least 5% of the retail public utility's master meter bill; or
- (iv) if common areas that are served through the master meter that provides water to the dwelling units are not separately metered or submetered and there is no installed landscape irrigation system, deduct at least 5% of the retail public utility's master meter bill.

(2) To calculate a tenant's bill:

(A) for an apartment house, the owner shall multiply the amount established in paragraph (1) of this subsection by:

(i) the number of occupants in the tenant's dwelling unit divided by the total number of occupants in all dwelling units at the beginning of the month for which bills are being rendered; or

(ii) the number of occupants in the tenant's dwelling unit using a ratio occupancy formula divided by the total number of occupants in all dwelling units at the beginning of the retail public utility's billing period using the same ratio occupancy formula to determine the total. The ratio occupancy formula will reflect what the owner believes more accurately represents the water use in units that are occupied by multiple tenants. The ratio occupancy formula that is used must assign a fractional portion per tenant of no less than that on the following scale:

- (I) dwelling unit with one occupant = 1;
- (II) dwelling unit with two occupants = 1.6;
- (III) dwelling unit with three occupants = 2.2; or
- (IV) dwelling unit with more than three occupants = 2.2 + 0.4 per each additional occupant over three; or

(iii) the average number of occupants per bedroom, which shall be determined by the following occupancy formula. The formula must calculate the average number of occupants in all dwelling units based on the number of bedrooms in the dwelling unit according to the scale below, notwithstanding the actual number of occupants in each of the dwelling unit's bedrooms or all dwelling units:

- (I) dwelling unit with an efficiency = 1;
- (II) dwelling unit with one bedroom = 1.6;
- (III) dwelling unit with two bedrooms = 2.8;
- (IV) dwelling unit with three bedrooms = 4 + 1.2 for each additional bedroom; or

(iv) a factor using a combination of square footage and occupancy in which no more than 50% is based on square footage. The square footage portion must be based on the total square footage living area of the dwelling unit as a percentage of the total square footage living area of all dwelling units of the apartment house; or

(v) the individually submetered hot or cold water usage of the tenant's dwelling unit divided by all submetered hot or cold water usage in all dwelling units;

(B) a condominium manager shall multiply the amount established in paragraph (1) of this subsection by any of the factors under subparagraph (A) of this paragraph or may follow the methods outlined in the condominium contract;

(C) for a manufactured home rental community, the owner shall multiply the amount established in paragraph (1) of this subsection by:

- (i) any of the factors developed under subparagraph (A) of this paragraph; or

established in paragraph (1) of this subsection by:

(I) any of the factors developed under subparagraph (A) of this paragraph; or

(II) the square footage of the rental space divided by the total square footage of all rental spaces.

(3) If a tenant moves in or out during a billing period, the owner may calculate a bill for the tenant. If the tenant moves in during a billing period, the owner shall prorate the bill by calculating a bill as if the tenant were there for the whole month and then charging the tenant for only the number of days the tenant lived in the unit divided by the number of days in the month multiplied by the calculated bill. If a tenant moves out during a billing period before the owner receives the bill for that period from the retail public utility, the owner may calculate a final bill. The owner may calculate the tenant's bill by calculating the tenant's average bill for the last three months and multiplying that average bill by the number of days the tenant was in the unit divided by the number of days in that month.

(f) Conversion to approved allocation method. An owner using an allocation formula other than those approved in subsection (e) of this section shall immediately provide notice as required under §24.123(c) of this title (relating to Rental Agreement) and either:

- (1) adopt one of the methods in subsection (e) of this section; or
- (2) install submeters and begin billing on a submetered basis; or
- (3) discontinue billing for utility services.

**§24.283. Billing.**

(a) Monthly billing of total charges. The owner shall bill the tenant each month for the total charges calculated under §24.124 of this title (relating to Charges and Calculations). If it is permitted in the rental agreement, an occupant or occupants who are not residing in the rental unit for a period longer than 30 days may be excluded from the occupancy calculation and from paying a water and sewer bill for that period.

(b) Rendering bill.

- (1) Allocated bills shall be rendered as promptly as possible after the owner receives the retail public utility bill.
- (2) Submeter bills shall be rendered as promptly as possible after the owner receives the retail public utility bill or according to the time schedule in the rental agreement if the owner is billing using the retail public utility's rate.

(c) Submeter reading schedule. Submeters or point-of-use submeters shall be read within three days of the scheduled reading date of the retail public utility's master meter or according to the schedule in the rental agreement if the owner is billing using the retail public utility's rate.

(d) Billing period.

- (1) Allocated bills shall be rendered for the same billing period as that of the retail public utility, generally monthly, unless service is provided for less than that period.
- (2) Submeter bills shall be rendered for the same billing period as that of the retail public utility, generally monthly, unless service is provided for less than that period. If the owner uses the retail public utility's actual rate, the billing period may be an alternate billing period specified in the rental agreement.

(e) Multi-item bill. If issued on a multi-item bill, charges for submetered or allocated utility service must be separate and distinct from any other charges on the bill.

(f) Information on bill. The bill must clearly state that the utility service is submetered or allocated, as applicable, and must include all of the following:

- (1) total amount due for submetered or allocated water;
- (2) total amount due for submetered or allocated wastewater;
- (3) total amount due for dwelling unit base charge(s) or customer service charge(s) or both, if applicable;
- (4) total amount due for water or wastewater usage, if applicable;
- (5) the name of the retail public utility and a statement that the bill is not from the retail public utility;

- (8) name, address, and telephone number of the party to whom payment is to be made.
- (g) Information on submetered service. In addition to the information required in subsection (f) of this section, a bill for submetered service must include all of the following:
  - (1) the total number of gallons, liters, or cubic feet submetered or measured by point-of-use submeters;
  - (2) the cost per gallon, liter, or cubic foot for each service provided; and
  - (3) total amount due for a service charge charged by an owner of a manufactured home rental community, if applicable.
- (h) Due date. The due date on the bill may not be less than 16 days after it is mailed or hand delivered to the tenant, unless the due date falls on a federal holiday or weekend, in which case the following work day will be the due date. The owner shall record the date the bill is mailed or hand delivered. A payment is delinquent if not received by the due date.
- (i) Estimated bill. An estimated bill may be rendered if a master meter, submeter, or point-of-use submeter has been tampered with, cannot be read, or is out of order; and in such case, the bill must be distinctly marked as an estimate and the subsequent bill must reflect an adjustment for actual charges.
- (j) Payment by tenant. Unless utility bills are paid to a third-party billing company on behalf of the owner, or unless clearly designated by the tenant, payment must be applied first to rent and then to utilities.
- (k) Overbilling and underbilling. If a bill is issued and subsequently found to be in error, the owner shall calculate a billing adjustment. If the tenant is due a refund, an adjustment must be calculated for all of that tenant's bills that included overcharges. If the overbilling or underbilling affects all tenants, an adjustment must be calculated for all of the tenants' bills. If the tenant was undercharged, and the cause was not due to submeter or point-of-use submeter error, the owner may calculate an adjustment for bills issued in the previous six months. If the total undercharge is \$25 or more, the owner shall offer the tenant a deferred payment plan option, for the same length of time as that of the underbilling. Adjustments for usage by a previous tenant may not be back billed to a current tenant.
- (l) Disputed bills. In the event of a dispute between a tenant and an owner regarding any bill, the owner shall investigate the matter and report the results of the investigation to the tenant in writing. The investigation and report must be completed within 30 days from the date the tenant gives written notification of the dispute to the owner.
- (m) Late fee. A one-time penalty not to exceed 5% may be applied to delinquent accounts. If such a penalty is applied, the bill must indicate the amount due if the late penalty is incurred. No late penalty may be applied unless agreed to by the tenant in a written lease that states the percentage amount of such late penalty.

**§24.287. Submeters or Point-of-Use Submeters and Plumbing Fixtures.**

- (a) Submeters or point-of-use submeters
  - (1) Same type submeters or point-of-use submeters required. All submeters or point-of-use submeters throughout a property must use the same unit of measurement, such as gallon, liter, or cubic foot.
  - (2) Installation by owner. The owner shall be responsible for providing, installing, and maintaining all submeters or point-of-use submeters necessary for the measurement of water to tenants and to common areas, if applicable.
  - (3) Submeter or point-of-use submeter tests prior to installation. No submeter or point-of-use submeter may be placed in service unless its accuracy has been established. If any submeter or point-of-use submeter is removed from service, it must be properly tested and calibrated before being placed in service again.
  - (4) Accuracy requirements for submeters and point-of-use submeters. Submeters must be calibrated as close as possible to the condition of zero error and within the accuracy standards established by the American Water Works Association (AWWA) for water meters. Point-of-use submeters must be calibrated as closely as possible to the condition of zero error and within the accuracy standards established by the

point-of-use submeters must be installed in accordance with applicable plumbing codes and AWWA standards for water meters or ASME standards for point-of-use submeters, and must be readily accessible to the tenant and to the owner for testing and inspection where such activities will cause minimum interference and inconvenience to the tenant.

- (6) Submeter and point-of-use submeter records. The owner shall maintain a record on each submeter or point-of-use submeter which includes:
  - (A) an identifying number;
  - (B) the installation date (and removal date, if applicable);
  - (C) date(s) the submeter or point-of-use submeter was calibrated or tested;
  - (D) copies of all tests; and
  - (E) the current location of the submeter or point-of-use submeter.
- (7) Submeter or point-of-use submeter test on request of tenant. Upon receiving a written request from the tenant, the owner shall either:
  - (A) provide evidence, at no charge to the tenant, that the submeter or point-of-use submeter was calibrated or tested within the preceding 24 months and determined to be within the accuracy standards established by the AWWA for water meters or ASME standards for point-of-use submeters; or
  - (B) have the submeter or point-of-use submeter removed and tested and promptly advise the tenant of the test results.
- (8) Billing for submeter or point-of-use submeter test.
  - (A) The owner may not bill the tenant for testing costs if the submeter fails to meet AWWA accuracy standards for water meters or ASME standards for point-of-use submeters. PROJECT NO. 42190 PROPOSAL FOR ADOPTION PAGE 345 OF 379.
  - (B) The owner may not bill the tenant for testing costs if there is no evidence that the submeter or point-of-use submeter was calibrated or tested within the preceding 24 months.
  - (C) The owner may bill the tenant for actual testing costs (not to exceed \$25) if the submeter meets AWWA accuracy standards or the point-of-use submeter meets ASME accuracy standards and evidence as described in paragraph (7)(A) of this subsection was provided to the tenant.
- (9) Bill adjustment due to submeter or point-of-use submeter error. If a submeter does not meet AWWA accuracy standards or a point-of-use submeter does not meet ASME accuracy standards and the tenant was overbilled, an adjusted bill must be rendered in accordance with §24.125(k) of this title (relating to Billing). The owner may not charge the tenant for any underbilling that occurred because the submeter or point-of-use submeter was in error.
- (10) Submeter or point-of-use submeter testing facilities and equipment. For submeters, an owner shall comply with the AWWA's meter testing requirements. For point-of-use meters, an owner shall comply with ASME's meter testing requirements.
- (b) Plumbing fixtures. After January 1, 2003, before an owner of an apartment house, manufactured home rental community, or multiple use facility or a manager of a condominium may implement a program to bill tenants for submetered or allocated water service, the owner or manager shall adhere to the following standards:
  - (1) Texas Health and Safety Code, §372.002, for sink or lavatory faucets, faucet aerators, and showerheads;
  - (2) perform a water leak audit of each dwelling unit or rental unit and each common area and repair any leaks found; and
  - (3) not later than the first anniversary of the date an owner of an apartment house, manufactured home rental community, or multiple use facility or a manager of a condominium begins to bill for submetered or allocated water service, the owner or manager shall:
    - (A) remove any toilets that exceed a maximum flow of 3.5 gallons per flush; and
    - (B) install toilets that meet the standards prescribed by Texas Health and Safety Code, §372.002.
- (c) Plumbing fixture not applicable. Subsection (b) of this section does not apply

**LEASE ADDENDUM FOR ALLOCATING STORMWATER/DRAINAGE COSTS**

**1. Addendum.** This is an addendum to the TAA Lease Contract for Apt. No. \_\_\_\_\_ **OFFICE** \_\_\_\_\_ in the  
Delujo El Morocco Apartments

\_\_\_\_\_ Apartments in Irving,  
Texas. The terms of this addendum will control if the terms of the Lease and this addendum conflict.

**2. Reason for allocation.** Governmental entities impose stormwater/drainage fees to help pay for the cost of maintaining the infrastructure needed to prevent flooding and lessen the impact of pollution on our water system. These fees can be significant. Our property has chosen to allocate this fee so residents are more aware of the true costs associated with these fees and so it is not necessary to raise rents to keep pace with these fee increases.

**3. Your payment due date.** Payment of your allocated stormwater/drainage bill is due 16 days after the date it is postmarked or hand delivered to your apartment. You agree to mail or deliver payment to the place indicated on your bill so that payment is received no later than the due date. You will pay a late charge of 5 percent of your stormwater/drainage bill if we do not receive timely payment. If you are late in paying the stormwater/drainage bill, we may immediately exercise all lawful remedies under your lease contract, including eviction—just like late payment of rent.

**4. Allocation procedures.** Your monthly base rent under the TAA Lease Contract does *not* include a charge for stormwater/drainage costs. You will pay separately for these monthly recurring fixed charges which are defined under the Lease as "Additional Rent". You may receive a separate bill from us each month or we may include these items as separate and distinct charges as part of a multi-item bill. You agree to and we will allocate the monthly stormwater/drainage bill for the apartment community based on the allocation method checked below. *(check only one)*

A percentage reflecting your apartment unit's share of the total square footage in the apartment community, i.e. your unit's square footage divided by the total square footage in all apartment units.

A percentage reflecting your apartment unit's share of the total number of people living in the apartment community, i.e. the number of people living in your apartment divided by the total number of people living in the entire apartment community for the month. ("People" for this purpose are all residents and occupants listed in leases at the apartment community as having a right to occupy the respective units).

Half of your allocation will be based on your apartment's share of total square footage and half will be based on your share of total people living in the apartment community, as described above.

Per dwelling unit

Other formula *(see attached page)*

**5. Penalties and fees.** Only the total stormwater/drainage bill will be allocated. Penalties or interest for any late payment of the master stormwater/ drainage bill by us will be paid for by us and will not be allocated. A nominal administrative fee of \$ 3.00 per month (not to exceed \$3) will be added to your bill for processing, billing and/or collecting.

**6. Change of allocation formula.** The above allocation formula for determining your share of the stormwater/drainage bill cannot be changed except as follows: (1) you receive notice of the new formula at least 35 days before it takes effect; and (2) you agree to the change in a signed lease renewal or signed mutual agreement.

**7. Right to examine records.** You may examine our stormwater/drainage bills from the utility company, and our calculations relating to the monthly allocation of the stormwater/drainage bills during regular weekday office hours. Please give us reasonable advance notice to gather the data.

\_\_\_\_\_  
Signatures of All Residents

\_\_\_\_\_  
Signature of Owner or Owner's Representative

**LEASE ADDENDUM FOR TRASH REMOVAL AND RECYCLING COSTS—FLAT FEE**

1. **Addendum.** This is an addendum to the TAA Lease Contract for Apt. No. \_\_\_\_\_ **OFFICE** \_\_\_\_\_ in the  
**Delujo El Morocco Apartments** \_\_\_\_\_  
\_\_\_\_\_ Apartments in **Irving** \_\_\_\_\_  
Texas **OR**  
the house, duplex, etc. located at (street address) \_\_\_\_\_  
\_\_\_\_\_ in \_\_\_\_\_, Texas.

2. **Flat fee for trash/recycling costs.** Your monthly base rent under the TAA Lease Contract does not include a charge for trash removal. Instead, you will be receiving a separate bill from us for such service. You agree to pay a monthly fee of \$ 10.00 for the removal of trash and/or recycling for the apartment community, plus a nominal administrative fee of \$ \_\_\_\_\_ per month (not to exceed \$3) for processing and billing.

Your trash/recycling bill may include state and local sales taxes as required by state law.

3. **Payment due date.** Payment of your trash removal and recycling bill is due 16 days after the date it is postmarked or hand delivered to your apartment. We may include this item as a separate and distinct charge as part of a multi-item bill. You agree to mail or deliver payment to the place indicated on your bill so that payment is received no later than the due date. There will be a late charge of \$ \_\_\_\_\_ (not to exceed \$3) if we do not receive timely payment of your trash/recycling bill, but we are not obligated to accept late payment. If you are late in paying the trash removal/recycling bill, we may immediately exercise all lawful remedies under your lease contract, including eviction.

\_\_\_\_\_  
Signatures of All Residents  
  
\_\_\_\_\_  
  
\_\_\_\_\_  
  
\_\_\_\_\_  
  
\_\_\_\_\_

\_\_\_\_\_  
Signature of Owner or Owner's Representative



**LEASE ADDENDUM FOR ALLOCATING MASTERMETERED ELECTRICAL COSTS**

**1. Addendum.** This is an addendum to the TAA Lease Contract for Apt. No. \_\_\_\_\_ **OFFICE** \_\_\_\_\_ in the Delujo El Morocco Apartments

\_\_\_\_\_ Apartments in Irving, Texas. The terms of this addendum will control if the terms of the Lease and this addendum conflict.

**2. Reason for allocation.** When mastermetered electrical bills are paid by the property owner, residents have no incentive to conserve electricity. This results in a waste of our state's natural resources and adds to the overhead of the property—and that usually means higher rents. On the other hand, allocation of electricity raises everyone's awareness of the need to conserve electricity and air conditioning and to pay attention to the thermostat and cool air loss through open doors or windows. It should therefore minimize the necessity for rent increases to cover wasteful practices of other residents regarding electrical consumption.

**3. Your payment due date.** Payment of your allocated electric bill is due 16 days after the date it is postmarked or hand delivered to your apartment. We may include this item as a separate and distinct charge as part of a multi-item bill. You agree to mail or deliver payment to the place indicated on your bill so that payment is received no later than the due date. You will pay a late charge of 5 percent of your electrical bill if we do not receive timely payment. If you are late in paying the electric bill, we may cut off your electricity pursuant to statutory procedures. We may also exercise all other lawful remedies, including eviction. If your electric service must be re-established after it is disconnected for nonpayment, we will also charge you a \$ \_\_\_\_\_ reconnection fee (not to exceed \$10, based on our average cost to reconnect service).

**4. Allocation procedures.** You (the resident) and we (the owner) agree to the electricity allocation system described below. During the lease term, we are authorized to allocate the monthly mastermeter electrical bill(s) for the apartment community as set forth below. Your monthly rent under the TAA Lease Contract does not include a charge for electricity. Instead, you will be receiving a separate bill from us for electricity. Your monthly electricity bill will be based on:

- A percentage reflecting your apartment unit's share of the total square footage in the apartment community, i.e., your unit's square footage divided by the total square footage in all apartment units. That percent for your unit is \_\_\_\_\_ percent.

If a formula other than the total square footage formula in the first checkbox of this paragraph is used, we have requested and received written approval from the PUC to use this formula. PUC rules already permit allocation based on square footage.

**5. Common area deduction.** Only the total mastermetered electrical bill will be allocated. Before the bill is allocated, a deduction of 15 percent will be made to cover estimated electricity consumption in any common areas such as electricity used in: (1) laundry rooms; (2) central hot water heating; (3) pools and spas; (4) outside lighting; and (5) any onsite management office. Penalties or interest for any late payment of the mastermetered electrical bill by us will be paid for by us and will not be allocated.

**6. Change of allocation formula.** The above allocation formula for determining your share of the mastermetered electricity bill cannot be changed except as follows: (1) the new formula is one approved by the PUC; (2) you receive notice of the new formula at least 90 days before it takes effect; and (3) you agree to the change in a signed lease renewal or signed mutual agreement.

**7. Previous average.** The average monthly bill for your apartment for the previous calendar year was \$ \_\_\_\_\_, using the allocation formula checked above.

**8. Right to examine records.** You may examine our electrical bills from the utility company and our calculations relating to the monthly allocation of the electricity bills during regular weekday office hours. While it is not required, please give us reasonable advance notice to gather the data.

**9. Copy of PUC rules.** The Public Utility Commission (PUC) governs electrical allocation. We have attached a copy of the PUC electrical allocation rules with your TAA Lease Contract.

\_\_\_\_\_  
Signatures of All Residents

\_\_\_\_\_  
Signature of Owner or Owner's Representative