

**LEASE ADDENDUM
LIABILITY INSURANCE REQUIRED OF RESIDENT**

1. **Addendum.** This is an addendum to the Lease Contract for

Apt. No. _____ in the _____

_____ Apartments in _____ (city) _____ (state).

The effective date of this Addendum is _____.

2. Acknowledgment Concerning Liability Insurance Requirement

You acknowledge that we do not maintain insurance to protect you against personal injury, loss or damage to your personal property or belongings, or to cover your own personal liability for injury, loss or damage you (or your occupants or guests) may cause others. You also acknowledge that by not maintaining your own policy of personal liability insurance, you may be responsible to others (including us) for the full cost of any injury, loss or damage caused by your actions or the actions of your occupants or guests, including but not limited to fire damage. For the duration of your Lease Contract you must maintain a personal liability insurance policy, which provides limits of liability to third parties in an amount not less than \$100,000 per occurrence. You will ensure that the liability insurance policy identifies this apartment community as a "Party of Interest" or "Interested Party" (or similar language as may be available). You understand and agree to maintain at all times during the Term of the Lease Contract and any renewal periods, a policy of personal liability insurance with this limit and otherwise satisfying the requirements listed below, at your sole expense.

3. **Required Policy.** You are required to purchase and maintain personal liability insurance covering you, your occupants and guests, for personal injury and property damage any of you cause to third-parties (including damages to our property), with the minimum policy coverage amount set forth in paragraph 2 above, from a licensed insurance carrier authorized to issue such insurance in Hawaii. The carrier is required to provide notice to us within 30 days of any cancellation, nonrenewal, or material change in your coverage. We retain the right to hold you responsible for any loss in excess of your insurance coverage.

If you choose not to purchase or are unable to secure satisfactory personal liability insurance coverage, you have the option to obtain insurance coverage under a group liability insurance policy issued by an insurance carrier we have partnered with. As a tenant of this property, you automatically qualify for this coverage with no underwriting or lengthy application. Participation in this program allows you to conveniently pay the insurance charges with your monthly rent.

Please initial one of the options indicating how you will meet the insurance requirement.

___ I have purchased an annual term renter's insurance policy satisfying the requirements of the Lease Contract and this Addendum from the carrier of my choice and have provided a copy of the policy or declarations page to the leasing representative.

___ I have **not** purchased an annual term policy satisfying the requirements of the Lease Contract and/or this Addendum. I agree to participate in the group insurance program that meets the Lease Contract's insurance requirements. I understand that I will be billed the \$ 14.50 monthly charge with my rent to cover the costs of **securing personal liability coverage in an amount of \$100,000 and personal property coverage in an amount of \$10,000. The insurance company will issue a certificate of insurance in the name of all residents listed on the lease, up to a maximum of four (4) residents. The certificate of insurance sent to me will fully describe the terms and conditions of the insurance coverage and will also indicate that the \$10,000 coverage in personal property and \$100,000 coverage in personal liability is the maximum that will be paid for a loss regardless of the number of residents listed on the policy, which shall be a maximum of four (4) residents. In addition it will advise the terms and conditions of the coverage provided. I understand that brochures providing a general description of the group insurance program and insurance carrier are available to me for review.**

4. **No Solicitation.** Unless otherwise acknowledged in writing, you acknowledge that we have made no solicitations, guarantees, representations, or promises whatsoever concerning any insurance or services provided by any insurance company. You were and are free to contract for the required insurance with the provider of your choosing so long as that provider comports with the requirements of paragraph 3 above.

5. **Subrogation Allowed.** You and we agree that subrogation is allowed by all parties and that this agreement supersedes any language to the contrary in the Lease Contract. Accordingly, our insurance carrier may sue you for losses it pays as a result of your negligence, and your insurance carrier may sue us for losses it pays as a result of our negligence.

6. Your Insurance Coverage. By signing this Addendum, you acknowledge that you have purchased (or will purchase) the insurance described in paragraphs 2 and 3 or agreed to participate in the group insurance program described in paragraph 3, and that you will provide written proof of this insurance to on-site staff prior to taking possession of the apartment. You further acknowledge that you will keep this insurance policy in-force for the entire term of the lease. If any material terms of your insurance policy change, you agree to promptly provide a copy of the modified policy terms to the on-site staff. For the purposes of this paragraph, either the written policy itself or the declaration page to the policy shall be acceptable.

7. Default. Unless otherwise prohibited by law, any default under the terms of this Addendum shall be deemed an immediate, material and incurable default under the terms of the Lease Contract, and we shall be entitled to exercise all rights and remedies under the law. If you fail to pay the insurance charge or if you allow your policy (from the carrier of your choice) to expire or cancel, you will be in default under the terms of your lease.

8. Miscellaneous.

a. Except as specifically stated in this Addendum, all other terms and conditions of the Lease Contract shall remain unchanged. In the event of any conflict between the terms of this Addendum and the terms of the Lease Contract, the terms of this Addendum shall control.

b. The insurance required by the Lease Contract is not required by any law. Your obligation to provide insurance stems solely from the Lease Contract.

c. The insurance required by the Lease Contract is not an attempt to limit the landlord’s liability for its own negligence or your liability for your own negligence.

d. The insurance required by the Lease Contract is not in lieu of, or in any way a component of, the security deposit required by the Lease Contract.

e. If you have an annual renter’s insurance policy and decide to switch to the group liability insurance program offered by the landlord, please compare the terms of coverage between the two policies, as not all policies are the same and coverage may differ.

By signing below, you acknowledge and agree that you understand and agree to the terms of this Addendum.

Resident or Residents

[All residents must sign here]

Landlord or Landlord’s Representative

[Signs here]

Date of Lease Contract
