

LEASE

THIS LEASE AGREEMENT ("Lease Agreement") is made this 27th day of July, 2011, by and between the RECTOR AND VISITORS OF THE UNIVERSITY OF VIRGINIA (the "Lessor"), and Dorothy K. Fontaine (the "Lessee").

WITNESS

That for and in consideration of the rental payments and other covenants and agreements hereinafter set forth, the Lessor hereby leases unto the Lessee, and the Lessee leases from the Lessor, the following described property, upon the terms, rentals, covenants and conditions hereinafter set forth.

1. Property Description

The leased premises shall be that dwelling known as Pavilion IX, located West Lawn, Charlottesville, Virginia (the "Leased Premises"). The mailing address of the Leased Premises is 9 West Pavilion, Charlottesville, Virginia 22903-3201.

2. Term

This Lease Agreement shall run for a period of five (5) years beginning at noon on July 27, 2011, and ending at noon on July 26, 2016 (the "Initial Term"). Thereafter, subject to the provisions of Paragraph 14 (b), (c), (d), (e), and (f) below, this Lease Agreement shall automatically renew from year to year, for up to five (5) additional one-year terms (each a "Renewal Term"), unless and until either the Lessor or the Lessee shall give notice of termination in accordance with Paragraph 14 (a) of this Lease Agreement.

The Lessee's obligations contained in this Lease Agreement shall survive the termination or expiration of this Lease Agreement.

3. Rental

Lessee shall pay as rent for the Leased Premises, without notice, demand, or offset, at the Housing Division Cashier's Office, or at such other office that may be designated by the Lessor, the sum of \$13,958.00 for the period from July 27, 2011 through June 30, 2012, paid in the following installments: July 27, 2011, \$208.00; August 1, 2011, \$1,250.00; September 1, 2011, \$1,250.00; October 1, 2011, \$1,250.00; November 1, \$1,250.00; December 1, 2011, \$1,250.00; January 1, 2011, \$1,250.00; February 1, 2011, \$1,250.00; March 1, 2011, \$1,250.00; April 1, 2011, \$1,250.00; May 1, 2011, \$1,250.00; and June 1, 2011, \$1,250.00. Thereafter, commencing on July 1, 2012, and continuing thereafter on July 1 of each year of this Lease Agreement during the Initial Term and any Renewal Term, the Lessor reserves the right to increase the annual rent in accordance with the most recent rental rates for faculty and staff residences approved by the Board of Visitors or Executive Vice President and Chief Operating Officer. Lessor shall furnish written notice to the Lessee of such rent increase at least thirty (30) days prior to the effective date of such increase. Annual rent for the Initial Term and any Renewal Term shall be paid in twelve equal installments payable in advance at the beginning of each calendar month.

If the Initial Term or any Renewal Term, as applicable, expires on a date other than the last day of a calendar month, the rent due for such fractional month shall be prorated on a per diem basis between Lessor and Lessee so as to charge Lessee only for the portion of such fractional month falling within the Initial

Term or the Renewal Term, as applicable.

All other sums and charges required to be paid by the Lessee under this Lease Agreement, however denoted, shall be deemed to be additional rent. If any such sums or charges are not paid at the time provided in this Lease Agreement, they shall nevertheless be collectible as additional rent with the next installment of monthly rent falling due.

4. Purpose

The Leased Premises are to be used for residential purposes as the Lessee's primary residence and for no other purpose, without the prior written consent of the Lessor. The Leased Premises shall not be used for any unlawful purpose.

"Primary residence" is defined as one occupied by the Lessee for one hundred eighty (180) days or more during the regular academic year, pro-rated in the event Lessee takes occupancy of the Leased Premises during the academic year. Failure to establish the Leased Premises as the Lessee's primary residence shall be grounds for termination of this Lease Agreement. Exceptions may be made, in the discretion of the Lessee, for faculty on sabbatical or other short-term leave. Classrooms are to be used in accordance with the assignment procedures of the Registrar's Office. The Leased Premises are to be used only as a single-family residence. Under no circumstances may room be rented or occupied by persons other than the Lessee and his or her immediate family and short-term guests.

Pavilion residents must be willing to have frequent contact with their student neighbors and to participate fully in the life of the Lawn community. Lessee's participation in the Lawn community shall be a consideration in Lessor's determination whether to renew this Lease Agreement.

5. Lessor Right of Entry

Lessor reserves the right to enter the Leased Premises (a) during reasonable hours to perform routine inspections, maintenance or repairs only after having given prior oral or written notice to Lessee as to date of entry, and (b) at any time, without notice, in event of any emergency.

6. Maintenance and Repairs

Facilities Management shall be responsible for all interior and exterior maintenance and repairs of the Leased Premises. Subject to the provisions of Paragraph 7 of this Lease Agreement, Facilities Management shall make all such repairs in accordance with the Lessor's standards in effect at the time, as may be rendered necessary by the action of the elements or otherwise. **All maintenance repair needs shall be reported promptly by Lessee to the Facilities Management Office. Lessee may contact Facilities Management at (434) 924-1777 at any time to place work requests.** Lessee shall not make his or her own repairs, but shall perform normal household upkeep tasks, such as replacement of light bulbs and unclogging of drains.

The preservation of historic and archaeological characteristics of historic buildings owned by the Lessor is the responsibility of the Architect for the Historic Buildings and Grounds (the "Architect"). Changes to the Leased Premises may be authorized only by the Architect on behalf of the Lessor, but no such changes shall be approved if it is anticipated that they will damage the historic fabric or detract from the original design of the Leased Premises.

Complete interior painting shall be provided by Facilities Management prior to commencement of the Initial Term, at no cost to the Lessee. Repainting shall be provided at ten-year intervals. Any painting requested by the Lessee within ten (10) years of the commencement of the Initial Term shall be provided by Facilities Management at a cost to the Lessee prorated in annual increments over the remainder of the Initial Term or the then current Renewal Term, as applicable. The final decision concerning the need for interim interior painting or other surface treatment shall be made by the Architect on behalf of the Lessor. Subject to the provisions of Paragraph 7 of this Lease Agreement, repainting necessitated by interior repair shall be undertaken only by Facilities Management.

If the Leased Premises are demolished or damaged by fire or otherwise and thereby rendered untenantable for a period of more than thirty (30) days, as determined by the Lessor, this Lease Agreement shall terminate as of the date of such destruction or damage. However, should such damage be repaired by the Lessor within thirty (30) days from the occurrence thereof, this Lease Agreement shall not terminate, but rent shall be abated for the period during which the Leased Premises are untenantable. **Due to the age of the Leased Premises, and the deteriorating condition of its chimneys, Lessee shall not use the fireplaces.**

7. Damage

Lessee shall be responsible for all damages to the Leased Premises and furnishings or equipment therein attributable to the negligent or intentional acts or omissions of the Lessee, a member of the Lessee's family or other persons in the Leased Premises with the Lessee's consent, including, without limitation, the freezing of water pipes and the stopping of sewers. Lessee shall be assessed the cost of materials and labor involved in making repairs and replacements. All damages shall be reported by the Lessee immediately to Facilities Management. If Lessee has been granted permission to keep pets in the Leased Premises, Lessee agrees that any damage to the exterior or interior of the Leased Premises or the Pavilion gardens, including grounds, flooring, walls, trim, finish, tiles, carpeting, or any stains, etc., caused by the pet will be the full financial responsibility of the Lessee and that Lessee agrees to pay all costs involved in the restoration to its original condition. If because of any such stains, etc., said damage is such that it cannot be removed, then Lessee hereby agrees to pay the full expense of replacement.

8. Improvements

(a) The Lessee may not install additional attached or built-in appliances without the written approval of the Lessor and the Architect. Facilities Management shall install approved built-in appliances at cost to the Lessee. Acquisition and on-going maintenance costs of such improvements shall be borne by the Lessee. Upon the expiration of the Initial Term or the then current Renewal Term, as applicable, the Lessee may remove the appliance and bear the cost of restoring the installation site to its pre-existing condition. Any appliance not removed by the Lessee shall be deemed abandoned by the Lessee and the property of the Lessor, at no further cost to the Lessor.

(b) Non-appliance attachments (e.g., built-in furniture, bookcases, wardrobes, etc.) and other similar improvements must be approved by the Lessor and the Architect, and installed by Facilities Management. The cost of such improvements and their installation shall be borne by the Lessee. All such improvements shall immediately, upon completion or installation thereof, become the property of the Lessor, without payment therefor, and shall be surrendered to the Lessor on the expiration of the Initial Term or the then current Renewal Term, as applicable.

9. Assignment and Sub-Letting

Lessee shall not assign this Lease Agreement or sublet the Leased Premises or any part thereof.

10. Gardens

Lessee shall not be responsible for the upkeep of the gardens nor shall Lessee alter the gardens in any manner. Lessor grounds maintenance personnel shall have access to all gardens.

The gardens shall be made available for use during daylight hours by classes in landscape architecture. Reservations for use of the rear gardens of Pavilions I, V, VI, VIII, IX and X are handled through the Office of the Facilities Coordinator. Questions regarding use of any garden should be directed to this office. Residents of the Pavilions may close the gates, if they choose to do so, during daylight hours. However, the gardens shall be open and accessible to the public during this time. After daylight hours, the garden gates may be locked by residents. No garden or part thereof shall be marked or designated as private.

The Lessor assumes no responsibility for the safety of private property brought into the gardens by the Lessee. The Lessee shall assume all financial responsibility for any pet(s) kept by Lessee in the gardens. Gardens may not be locked during daylight hours for the purpose of keeping pets.

11. Liability

Lessee shall save the Lessor harmless from any and all liability for any damage or injury to persons or property caused by or resulting from steam, electricity, gas, water, rain, ice or snow, or any leak or flow from or into any part of the Leased Premises, or from any damage or injury resulting or arising from any other cause or happening whatsoever, unless said damage or injury be caused by or due to the negligence of the Lessor. Nothing herein shall be construed as a waiver of the sovereign immunity of the Commonwealth of Virginia.

12. Utilities

Lessor shall furnish adequate HVAC, electricity, water and sewer, data telecommunications services (internet service), voice telecommunications services (ITS local calls), grounds maintenance and trash pick-up the cost of which is included in the monthly rental amount. Certain voice telecommunications services (ITS long distance calls), cable television (ITS), and any other service shall be arranged and paid for by the Lessee. The method of service provision shall be reviewed and approved by the Architect. No interruption in, or temporary stoppage of, any of such services shall be deemed an eviction or disturbance of the Lessee's use and possession of the Leased Premises, or render the Lessor liable for damages, by abatement of rent or otherwise or relieve the Lessee from any obligation set forth in this Lease Agreement.

13. Personal Property of Lessee

All personal property or valuables placed in or about the Leased Premises by the Lessee or the Lessee's family members, invitees or guests shall be at the sole risk of the Lessee or the parties owning the same and the Lessor shall not under any circumstances be liable for its loss, destruction, theft or damage to such property. The Lessor strongly advises the Lessee to obtain renter's insurance.

14. Termination

(a) Either Lessor or Lessee may terminate this Lease Agreement at the end of the Initial Term or the then current Renewal Term, as applicable, by giving the other party written notice of such termination at least thirty (30) days in advance of the expiration of the Initial Term or the then current Renewal Term, as applicable.

(b) It is agreed that, in the event Lessee should fail to pay any monthly installment of rent or any part thereof within ten (10) days after the same becomes due, or if there be a failure on the part of the Lessee to observe, keep and perform any one or more of the conditions or covenants of this Lease Agreement, then, and in either of these events, the Lessor shall have the right, at any time after such failure, to terminate this Lease Agreement by giving written notice thereof to the Lessee. This notice shall be directed to the Lessee, and shall state that unless all rent then in arrears be paid within five (5) days after date of mailing of notice, or unless all covenants and conditions are strictly complied with, and within the same time, Lessor shall re-enter and take possession of the Leased Premises, and this Lease Agreement shall thereupon be terminated without any further action on the part of the Lessor.

(c) Lessee further agrees to surrender possession of the Leased Premises to the Lessor at the termination of this Lease Agreement for whatever reason, and in no event later than the expiration of the Initial Term or the then current Renewal Term, as applicable, leaving the Leased Premises in substantially the same condition as at the time of execution of this Lease Agreement, normal wear and tear accepted.

(d) In the event of retirement of Lessee from the University of Virginia, Lessee shall be required to vacate the Leased Premises by June 30 of the academic year in which Lessee retires.

(e) If Lessee is involuntarily terminated or resigns as a member of the faculty of the University of Virginia, the Lessee shall be required to vacate the Leased Premises not later than thirty (30) days after the effective date of Lessee's involuntary termination or resignation as a member of the faculty.

(f) In the event of death of the Lessee, Lessee's family may continue to occupy the Leased Premises until the end of the academic session in which the Lessee dies.

15. No Waiver of Rights

Failure of either party to insist upon a strict performance of any of the terms, covenants, and conditions herein shall not be deemed a waiver of any rights or remedies of either party, and shall not be deemed a waiver of any subsequent breach or default in any of the terms, conditions, and covenants herein contained. This Lease Agreement may not be changed, modified, or discharged orally.

16. Total Agreement

This written Lease Agreement constitutes the entire, full and complete understanding and agreement of the parties, and all representations, conditions, statements, warranties, covenants, promises or agreements previously made or given by either party to the other are hereby expressly merged into this written Lease Agreement and shall be null, void and without legal effect.

17. Governing Law

This Lease Agreement shall be governed in all respects by the laws of the Commonwealth of Virginia,

without giving effect to its conflict of laws provisions.

18. Counterpart Originals

This Lease Agreement may be executed in multiple original counterparts, each of which shall be an original, but all of which shall constitute one and the same Lease Agreement.


19. Special Provisions

- (a) Lessee may not store combustible items in the Leased Premises.
- (b) Lessee must maintain clear access at all times to the electrical panel in the Leased Premises.
- (c) Smoking is not permitted in the interior of the Leased Premises.
- (d) Lessee may not store anything in the mechanical room in the Leased Premises.

(SIGNATURE PAGE FOLLOWS)

IN WITNESS WHEREOF, the parties have affixed their signatures as of the date first set forth above:

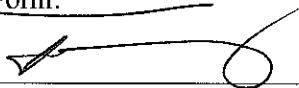
THE RECTOR AND VISITORS OF
THE UNIVERSITY OF VIRGINIA

BY 

Stephen A. Kimata
Assistant Vice President for Finance &
Interim Director, Student Financial Services

7/26/4

Reviewed and Approved as to
Form:



Associate General Counsel and
Special Assistant Attorney General

LESSEE



Lessee: Dorothy K. Fontaine