



Garfield Avenue PO. Box 205, Mentor, MN 56736 Tel: 800-504-6093 Fax: 218-637-6094

Prelease Deposit Agreement

Applicant has paid to management a prelease deposit of \$ _____ .

Applicant and Management agree to the following terms regarding this deposit:

1. If the information provided by Applicant is verified to Management's satisfaction and Applicant has an acceptable rental and credit history, Management agrees to rent the unit applied for to the Applicant. Management will notify Applicant __by telephone__ in writing within five days whether or not Applicant has been accepted.
2. If accepted, Applicant agrees to enter the rental agreement applied for within five business days of being notified of acceptance.
3. If Applicant and Management enter into a rental agreement, the prelease deposit will become the security deposit.
4. If Applicant, after being accepted, fails to enter a rental agreement as provided in paragraph 2 (above), Management will retain some or all of the prelease deposit as reimbursement for any rent lost due to Applicant's failure to enter into the rental agreement. In addition to reimbursement for loss of any rent, Management will retain the amount of \$500 liquidated damages for reimbursement for general costs including administrative and advertising costs, and for removing the unit from the market. The balance of the prelease deposit, if any, will be returned as provided in paragraph 5 (below).
5. If Applicant is not accepted for tenancy, the prelease deposit will be returned to Applicant within seven days of the occurrence of one of the following Circumstances and verification that the check is good.
 - a. Notification that Applicant is not accepted for tenancy.
 - b. An accepted Applicant's failure to enter into a rental agreement as provided in paragraph 2 (above) or within any extension of time granted by Management and Management's determination of rent loss, if any, due to Applicant's failure to enter into a rental agreement.

By: _____
Management

Applicant 1

Date: _____

Applicant 2