Yellow Tree Property Management

Employee Rent Policy

Effective Date: January 1, 2027

Purpose

Yellow Tree Property Management offers employees the opportunity to reside at properties within our portfolio under special leasing terms. This policy establishes eligibility for employee rent discounts, leasing concessions, lease requirements, and payroll rent deductions.

1. Employee Rent Discount

Employees who live and work at the same Yellow Tree property are eligible for a 15% discount off the unit's approved budgeted monthly rent, subject to the following:

- The discount is calculated using the unit's approved budgeted rent, not its advertised or market rent.
- Discounted employee leases expire December 31 and renew January 1 at the new year's approved budgeted rental rate, with the 15% discount recalculated accordingly.
- Employees may elect either the 15% rent discount or an available leasing concession, but cannot receive both.

Employees who reside at one Yellow Tree property but work at another are not eligible for the 15% rent discount.

Loss of Rent Discount

- **Termination of Employment:** If employment ends for any reason, the 15% discount is discontinued immediately, and the employee becomes responsible for the full rental amount, subject to applicable lease terms and law.
- **Transfer to Another Property:** If an employee transfers to a different property, the discount remains in effect for one full calendar month following the month of transfer. Full rent begins on the first day of the subsequent month.

2. Leasing Concessions

Employees who are not eligible for, or choose to forego, the 15% discount may take advantage of current leasing concessions offered for their selected unit.

- Concessions are subject to the same eligibility requirements and lease terms offered to other residents.
- Employees must fulfill the lease term associated with the concession. For example, one month free on a 13-month lease requires a 13-month commitment.
- Early lease termination may require repayment of concessions and applicable termination fees in accordance with the lease and concession agreement.

3. Lease Terms and Termination

Employees Receiving the 15% Discount or No Concessions

- Leases expire December 31 of each year and renew January 1 at the updated budgeted rental rate.
- Employees may terminate their lease with one full calendar month's written notice, in accordance with the Employee Lease Addendum.

Employees Receiving Leasing Concessions

- Lease terms are determined by the requirements of the applicable concession.
- Early termination is subject to the property's standard lease buyout procedures, fees, and applicable concession repayment requirements.
- If employment ends, whether voluntarily or involuntarily, either party may provide 14 days' written notice to terminate the tenancy, subject to the Employee Lease Addendum and applicable law.

4. Employee Lease Addendum

All employees residing at a Yellow Tree property must sign an Employee Lease Addendum in addition to their standard residential lease, regardless of discount or concession eligibility.

The addendum will address:

- **Payroll Deductions:** Authorization for monthly rent payments to be deducted through payroll, as permitted by applicable law.
- **Employment Changes:** Requirements for reporting changes in employment status or assigned work location that may affect rent discount eligibility or lease terms.
- **Lease Termination:** Applicable notice requirements and early termination provisions based on the employee's leasing arrangement.

All standard lease terms and community policies remain in effect unless specifically modified by the Employee Lease Addendum.

5. Payroll Rent Deductions

Employee rent payments will be processed through payroll deductions, subject to applicable law.

- Monthly rent will be divided between applicable pay periods and reflected on employee pay statements.
- Employees remain responsible for any rent balance if payroll deductions are insufficient or cannot be processed.
- Changes to rental amounts will be communicated to the employee, with payroll authorizations updated as required.

6. Policy Administration

All employee leases, discounts, concessions, and payroll deductions must be coordinated with Property Management and Employee Services to ensure accurate documentation and processing.

Employee residents must comply with their lease agreements and all applicable community rules and regulations.

Yellow Tree reserves the right to modify this policy at its discretion, subject to existing lease agreements and applicable law.