

BITTERROOT PROPERTY MANAGENT INC.

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Tenant Drop Request Form

Please be advised that BPM is under no obilagion to release any individuals from a signed lease. All original rental agreements (leases) are between Manager (BPM) and each Tenant(s) jointly and severally. Each original Tenant(s) are responsible for timely payments of rent and performance of all other provisions of the original rental agreement (lease).

A non-refundable \$75.00 Drop fee will be charged to the tenant ledger. If Remaining Tenant(s) will need to show they are to pay the rent on their own. This form must be signed by all parties.

THIS IS A LEGALLY BINDING DOCUMENT, CONSISTING OF 4 PAGES. IF NOT UNDERSTOOD, TENANT(S) IS ADVISED TO SEEK THE ADVICE OF COMPETENT LEGAL COUNSEL BEFORE SIGNING.

This form must be signed by all residents. This addendum is contingent upon application, approval, and utility transfer. This is not a lease agreement or an addendum to a rental agreement. Signing this form does not release anyone from current rental agreement terms and obligations. The drop process is not complete until the new rental agreement or an addendum to the original rental agreement has been signed and satisfactorily concluded by BPM INC.

NEW TENANT(S) MAY NOT RESIDE AT PROPERTY UNTIL THE NEW LEASE IS SIGNED BY ALL REMAINING AND NEW TENANTS. IF ADDING TENANT(S) OCCUPIES THE PREMISES PRIOR TO SIGNING THE NEW RENTAL AGREEMENT, THE TENANT(S) WILL BE CONSIDERED UNATHORIZED, AND A VIOLATION LETTER WILL BE ISSUED. "ADDING" NEW TENANTS IS A SEPARATE PROCESS AND A DIFFERENT FORM MUST BE USED.

Definitions:

Existing tenants: tenants on the original rental agreement.

Departing Tenant(s): tenant(s) on the current rental agreement requesting to leave and be removed from the rental agreement and tenant responsibilities.

Remaining Tenant(s): tenants on the current rental agreement requesting that "departing tenant(s)" be approved to leave and be removed from the rental agreement and tenant responsibilities.

Process for Removing Current Tenant(s) "DROP"

You may be in a situation where some co-tenants want to move out ("Departing Tenants") while other co-tenants will stay in the rental without replacing Tenant(s) who are leaving ("Remaining Tenants").

In order to do this, you will need to follow the following steps and clearly communicate with all parties.

Step 1: Notify BPM.

You should start by telling BPM in writing what is going on (email works best). We will want to know the circumstances and move out dates.

New Tenant(s) should walk through the rental in person, approving of not only the premises, but of the Remaining Tenants. New Tenants will need to be ready to commit to the original lease terms. BPM will only approve of one ADD/DROP per lease term.

Existing tenants are jointly responsible for everything. If the rent is not paid in full you are responsible for it even if you've already paid your share. If your roommate destroys the property and refuses to pay, you will be held responsible for this. These issues can affect your credit score and landlord reference for years to come.

If the Remaining Tenant(s) are cannot show that they can pay the rent and perform other tenant obligations on their own, the "Drop" Request may be denied.

Step 2: Remaining Tenant(s) provide income verification.

BPM will need prospective Remaining Tenant(s) to show they can afford the rent by themselves. Remaining Tenant(s) should provide BPM with recent paystubs or other income verification.

Step 3: Sign and Return the DROP Form

We will need **ALL** Existing Tenants, (Remaining Tenants and Departing Tenants) to review and sign this Drop form. In this document you agree between yourselves how you will handle the deposit. The deposit stays with the property so it is up to the tenants to determine how they will handle it between them. Remaining Tenant(s) are releasing Departing Tenant(s) from any cleaning or damages incurred. Once all Tenants have signed the form, BPM will sign it too. **This "Drop" process will include a \$75.00 charge to the tenants.**

We can provide you a paper copy from our office or email you a PDF version. We can also create an electronic signature version for all parties to sign via email. **We have found that the electronic signature version greatly speeds up the process. If you would like to sign the ADD/DROP form via electronic signatures, tell us in writing (email) and we will set it up and notify you when it has been sent.**

Step 5: Pay DROP Fee

Once the DROP form has been signed by all parties, the \$75.00 ADD/DROP fee will be posted to the tenant ledger. Once this is added to the tenant ledger it is everyone's responsibility. The DROP process will not move forward until this fee is paid.

Step 6: Sign an addendum to the Rental Agreement (lease).

The final step of the DROP process is for ALL parties (Manager, Remaining Tenants, Departing Tenants) to sign an ADDENDUM TO THE RENTAL AGREEMENT. This addendum will state the changes made and the agreed upon DROP process. BPM may require Remaining Tenants to sign a new Rental Agreement (lease).

Doing an “DROP” should not be taken lightly, it is a process that needs clear communication and understanding from all parties.

- ***Existing tenant(s) account must be at a \$0.00 balance before any tenant replacements will be processed.***
- ***Application fees apply for new tenants. All new tenants must be approved by Bitterroot Property Management, Inc. for addendum to be completed. If new tenants are declined this transaction is null and void.***
- ***A property condition inspection will be done in conjunction with this transaction. Departing tenant(s) are to leave the property clean and without tenant caused damages.***
- ***Remaining or departing tenant(s) are still responsible for rental agreement terms and obligations (i.e. rent, utilities, lawn care, snow removal, maintenance, etc.), until new rental agreement has been signed by all parties.***
- ***After the drop process is complete and a new lease agreement or an addendum to the original lease agreement has been signed, remaining tenant(s) and new tenant(s) assume full and equal responsibility for the payment of rent, the condition of the property, and terms of the rental agreement.***
- ***A letter of release will be issued to all concerned parties via email at the completion of this transaction.***
- ***Remaining and departing tenant(s) and understand that security deposit and key transfer between residents is their responsibility and not that of Bitterroot Property Management, Inc***

PROPERTY

ADDRESS _____ (Premises)

Existing Tenants:

NAME: _____

NAME: _____

NAME: _____

NAME: _____

NAME: _____

Lease duration: _____ --- _____

Tenant(s) request to release _____ from lease.

BY SIGNING BELOW EXISTING TENANTS ACKNOWLEDGE THAT THEY UNDERSTAND AND AGREE TO THE TERMS OF THE “DROP” PROCESS AS STATED ON THIS 4 PAGE DOCUMENT.

EXISTING TENANT 1

SIGNATURE _____ **DATE** _____

EXISTING TENANT 2

SIGNATURE _____ **DATE** _____

EXISTING TENANT 3

SIGNATURE _____ **DATE** _____

EXISTING TENANT 4

SIGNATURE _____ **DATE** _____

EXISTING TENANT 5

SIGNATURE _____ **DATE** _____

MANAGEMENT

SIGNATURE _____ **DATE** _____