

## PROPERTY MANAGEMENT AND RENTAL AGREEMENT

(hereinafter referred to as "this Agreement")

In consideration of the covenants herein contained, \_\_\_\_\_  
(hereinafter referred to as "the Owner") and Signature Realty Services, LLC (hereinafter referred  
to as "the Agent"), agree as follows:

### EXCLUSIVE AGENCY

The Owner employs the Agent exclusively to rent, lease, operate, and manage the property  
known as: \_\_\_\_\_

\_\_\_\_\_ (hereinafter referred to as "the Property") for the period beginning on \_\_\_\_\_ (mm/dd/yyyy),  
and ending on \_\_\_\_\_ (mm/dd/yyyy), and thereafter for annual periods unless on or before  
thirty (30) days prior to the expiration date above mentioned, or on or before thirty (30) days  
prior to the expiration of any such renewal period, either party shall notify the other in writing of  
an intention to terminate this Agreement. Either party may terminate this Agreement within  
thirty days via written notice after the expiration of the original term.

The Agent shall have thirty (30) days after termination to make a final accounting and pay  
balances (if any) to the Owner after deduction of all expenses by the Agent. Under no  
circumstances shall the Agent be responsible to provide a final accounting and/or balance of said  
account prior to that time.

### DUTIES OF THE AGENT

The Agent accepts the employment and agrees to:

use diligence in the management of the premises for the period and upon the terms provided  
herein, and agrees to furnish the services of the organization for the renting, leasing, operating,  
and managing of the Property.

render monthly statements of receipts, expenses, and charges and to remit to the Owner receipts  
less disbursements on or about the 15th of the month.

In the event the disbursements are in excess of the rents collected by the Agent, the Owner  
agrees to pay such excess promptly upon demand of the Agent. The Owner agrees that the Agent  
may make disbursements and reduce the Owner's security deposit fund as required under Item 4.  
The Agent agrees to deposit all rent receipts collected for the Owner (less sums properly  
deducted or otherwise provided for herein) in an escrow account separate from the Agent's  
personal account. The Agent shall disburse funds received in the following order:

1. Payment of the Agent's compensation
2. Payment of authorized expenses
3. Payment of the net income to the Owner

In the application of income to compensation and authorized expenses, the properties covered by  
this Agreement may be treated as a single property by the Agent. If more than one property is

being managed, and if one or more of the properties is producing a net loss, income from the other properties may be applied to cover such losses (i.e., to pay outstanding expenses and compensation to Agent with respect to that property).

### **AGENT'S AUTHORITY**

The Owner gives to The Agent the following authority and powers necessary for the management and rental responsibilities of the Property:

1. To advertise at the Owner's expense the availability for the rental of the Property or any part thereof, and display "For Rent" signs thereon.
2. To sign, renew, and/or cancel leases for the Property or any part thereof on forms provided by the Agent, the terms and conditions of which are hereby approved by the Owner. Any lease executed for the Owner by the Agent shall not exceed twelve months without the Owner's prior written consent. The Agent shall notify the Owner by phone and/or email twenty-four (24) hours prior to obligating the Property for any new lease term.
3. To collect rents due or to become due and provide receipts, notwithstanding that the terms of this Agreement do not constitute guarantee by the Agent of the payment of the rent by the tenant(s).
4. To receive, accept, and retain security deposits into a non-interest bearing Escrow Account.
5. To terminate tenancies and sign and serve in the name of the Owner such notices as are appropriate; to institute and prosecute actions, to evict tenants and to recover rents and other sums due; and, when expedient, to settle, compromise, and release such actions or suits or reinstate such tenancies.
6. To make or cause to make and supervise necessary repairs and alterations to the premises, to purchase supplies and pay bills for such. The Agent agrees to secure the prior approval of the Owner on all expenditures in excess of One Hundred Fifty Dollars (\$150.00) for any one item, except monthly or recurring operating charges and/or emergency repairs necessary to protect the property from damage or to maintain services to the tenant(s) as called for by their lease agreement.
7. If Owner desires, to pay monthly association dues for the property (if applicable) out of the collected rent each month.
8. If Owner desires, the monthly escrow of property taxes and annual property insurance premiums in the amount of 1/12 monthly, and to pay said property taxes and property insurance when due.
9. The Agent shall disburse, from the income of the Property or at Owner's expense if the Property is vacant, sums necessary to pay for the following designated expenses: Water, Electric, Gas, and other utilities; property taxes; any association dues; and any legal services to maintain the Property.

In the event the Owner wishes the Agent to undertake any additional duties regarding the Property after the execution of this Agreement, the Owner shall so inform the Agent in writing and the Agent shall accept or reject such duties by written response to the Owner within fourteen (14) days of receipt of the Owner's request.

If Agent is to pay taxes, insurance, mortgage, association dues, etc., the Owner must furnish the Agent with all documents necessary to make such payments, (i.e., payments books, tax duplicates, insurance statements, etc.). The Agent is not responsible for any payments until the necessary documents are provided by the Owner and only if the funds are available to pay for said costs. The Owner shall pay to the Agent the sum of \$ \_\_\_\_\_, which shall be held in the Owner's escrow account. This amount shall be disbursed in the event the Agent must make any disbursements under this agreement and the balance in the Owner's account shall be insufficient to satisfy the required amount of disbursements, the Agent shall notify the Owner of such deficiency as soon as reasonably possible. It shall be the sole responsibility of the Owner to deliver to the Agent enough money to satisfy the required disbursements and the Agent shall be held harmless from all claims of whatever kind or character resulting directly or indirectly from the Owner's failure to provide adequate funds to the Agent for the payment of any required disbursements.

Owner hereby grants the Agent the authority, at the Owner's expense, to take all actions, purchase all products, and procure all services necessary for the accomplishment by the Agent of the above described duties. All rebates and discounts obtained in performing these duties shall be credited to the Agent's account. Agent's authority shall include, but is not limited to, the following:

1. The execution of contract where appropriate or required for electricity, gas, fuel, water, hauling, snow removal, janitorial service, pest control, and any other services or such as the Agent shall deem advisable or necessary.
2. The Owner is to assume the obligation of any contracts so entered into at the termination of this agreement.

The Agent is not responsible for the acts of the Owner's agents or employees, if reasonable care has been exercised in the appointment and retention of such agents by the Agent. The Agent is not responsible for ensuring that any worker hired by the Owner has insurance, nor is the Agent responsible for securing any insurance.

#### **THE OWNER'S OBLIGATION TO THE AGENT**

The Owner agrees to hold the Agent harmless from all claims of whatever kind or character resulting directly or indirectly from Agent's services performed in connection with the management of the Property.

The Agent recommends to the Owner that insurance to find this agreement harmless should be obtained at the Owner's expense, naming both the Owner and the Agent as insured. In any event, the Agent shall be held harmless as provided above without regard for the existence or amount of such insurance.

#### **THE OWNER, THE AGENT, AND TENANT RELATIONSHIP**

In entering into a lease agreement with tenants, the Agent is performing on behalf of the Owner, who is the actual landlord under all such leases. The tenant is responsible to the Owner for

adhering to all terms in said lease, as well as any responsibilities implied upon tenants by law or owed by tenants directly to the Owner. The Agent shall not be responsible to the Owner for any acts or omissions by tenants.

The Agent is not a guarantor of collection of rents, and any legal action necessary to collect overdue rent or to enforce any other terms of tenant's lease is to be undertaken by the Agent on the Owner's behalf in the Agent's name, and at the Owner's expense.

In the event that the tenant(s) under the lease for the Owner's property shall be in default of any terms, covenants, or conditions of the lease, the Agent shall notify the Owner of the default. If Owner wishes the Agent to undertake any legal action on behalf of the Owner, the Owner shall notify the Agent in writing of said request. Upon acceptance of responsibility for this action, the Agent shall be immediately authorized to take all actions necessary for the accomplishment of that purpose, including the procurement of legal counsel at the Owner's expense. The Owner shall be solely responsible for the payment of all fees and cost associated with such action. The Agent shall handle payment of such amounts in the same method as set forth above with respect to other services the Agent is authorized to procure. The Owner has reviewed and approves the lease form that will be used by the Agent for the Property.

The Agent is hereby authorized to undertake, on the Owner's behalf, only with prior permission from the Owner, any emergency legal action necessary to preserve the safety of the other tenants or the condition of the Property, and the Owner agrees to be solely responsible for any cost and expense associated with such action.

### **COMPENSATION TO AGENT**

1. For management services of house(s), apartment(s), and/or condo(s) under this Agreement, the Owner shall pay to the Agent the sum of \_\_\_\_\_ percent ( \_\_\_\_\_ %) of the gross monthly income from the Property. Gross monthly income shall be defined as the total income specified in the current lease agreement and/or any addenda between tenant(s) and the Agent.

2. For leasing of the premises for another term, the sum of one half of one month's rent due and payable when a one-year lease is signed. The amount due for leases of shorter length shall be pro-rated based on the length of the lease term.

3. For re-renting of premises (original tenant does not complete lease term due to no fault of the Agent, i.e., due to default, eviction, family emergency) and said premises has to be re-leased, the sum of one-fourth of one month's rent due and payable when the lease is signed, regardless of length of said lease.

If necessary to enforce the provisions of this agreement, the defaulting party shall be responsible for the Attorney fees incurred by the prevailing party.

This agreement shall be binding upon the successors, and assigns of the Agent, and the heirs, administrators, executors, successors, and assigns of the Owner, until such time as the renewal period begins.

