

Property Management Agreement

This is an AGREEMENT between _____ hereinafter referred to as “Owner,” and **Income Realty Corp**, hereinafter referred to as “Agent,” who agree as follows:

I. EXCLUSIVE RIGHT TO RENT, LEASE AND MANAGE:

Owner hereby employs Agent, giving Agent the exclusive right to rent, lease and manage Owner’s property (hereinafter called the “Premises”) known as _____ 1 under the terms and conditions herein set forth. Agent accepts the management of the Premises for the period, and upon the terms herein provided.

II. TERM:

This Agreement shall commence on: _____, is perpetual, and shall end when either Owner or Agent shall give the other party notice of intent to terminate according to terms stipulated in section VII of this Agreement.

III. MANAGEMENT AUTHORITY AND AGENT RESPONSIBILITIES:

Owner expressly grants to Agent the following authority, powers and rights, and Agent assumes the following responsibilities, any or all of which may be exercised in the name of Owner, in Agent’s name alone, or in the names of both, and Owner shall assume all responsibilities for expenses in connection herewith, and shall reimburse or pay in advance all expenses incurred or to be incurred by Agent pursuant to this Agreement:

- A. Full management and control of the Premises with authority to collect all rent and other monies and securities from Tenants in the Premises, and issue receipts for same.
- B. The exclusive right to accept and qualify applications for rental and to perform credit checks and other screening services on applicants, and the exclusive right to approve or decline such applicants according to agent’s policies.
- C. Owner shall not be provided with the Tenants credit report and/or Application unless specifically authorized in writing by the tenant and the provider of the credit report.
- D. To prepare and negotiate new leases and renewals of existing leases in which Agent is authorized to execute leases and renewals for a maximum of one year at a time or for longer periods with Owner approval.
- E. To have repairs made, to purchase necessary supplies, to provide for all negotiation and contractual arrangements by suppliers or other independent contractors for all improvements, maintenance or repair services deemed necessary by Owner and/or Agent or to comply with applicable building, housing,

- and health codes, and to determine that such services were performed in a proper and prescribed manner. On each improvement, maintenance or repair item that shall exceed two hundred fifty dollars (\$250.00) in cost – except for emergency repairs – Owner’s approval shall first be obtained.
- F. To change locks on Premises between tenancies.
 - G. To place “For Rent” signs on the Premises unless prohibited by applicable bylaws or local ordinances.
 - H. To advertise the Premises when vacant or in anticipation of vacancy.
 - I. To serve any and all applicable legal notices upon Tenants and to prosecute legal actions to terminate tenancies, evict Tenants and recover rents and any other sums due, and when necessary employing for these purposes a reputable attorney. Owner shall have the right to approve employment of an attorney when the fee is expected to exceed \$500.
 - J. To collect from Applicants or Tenants any or all of the following: application fees, late rent fees, non-negotiable check fees, re-leasing fees, lease modification fees, legal notice services fees, or any other fees that may now or in the future become a Tenant obligation. All such fees shall belong to Agent to offset Agent’s extra time and expense for handling additional work and responsibilities related to such fees, and Agent need not account for such fees to Owner. First funds collected from Tenant each month shall be applied to Tenant obligations chronologically beginning with the earliest obligation incurred. Any outstanding Tenant obligations at end of tenancy may be deducted from Tenant’s security deposit and/or last month’s rent to the extent permitted by law.
 - K. To submit all available properties for rent, including those of other Client/Owners Agent, to all interested parties.
 - L. To resolve disputes over security deposits and any other sums due. Agent may use any lawful means to resolve such disputes. Agent is authorized to compromise and settle claims on Owner’s behalf as may be necessary or prudent in Agent’s judgment, except settlements requiring payment of sums by Owner, which must be approved by Owner.
 - M. To accept or decline checks for rental and other payments due from Tenants according to Agent’s policies. Agent shall not be held liable for bad checks or money not collected. Owner shall reimburse Agent for any sums disbursed on the faith of such checks should they be uncollectible for any reason. Owner agrees to hold Agent harmless for any failure to secure Tenants for the Owner, any cancellation by the Tenants and/or failure to collect any rents or monies due from the Tenants for any reason.
 - N. To make every reasonable effort to collect rents and other monies from Tenant when and as they become due, however, Agent does not guarantee the payment of Tenant obligations. Agent may employ collection agencies, attorneys, or any other reasonable and lawful means to assist in the collection of any outstanding Tenant obligation, provided that Owner shall have the right to approve employment of an attorney when the fee is expected to exceed \$500.
 - O. To render monthly statements to Owner of income and expenses and to disburse to Owner the net proceeds of such accounting. Statements and financial disbursements will be made customarily between the seventeenth (17th) day and

- twentieth (20th) day of each month, but in no case will disbursements be made until Tenant funds have cleared Agent's bank. In the event disbursements should be in excess of income collected, Owner shall pay such excess promptly to Agent. Agent may reserve Owner's funds to meet obligations that are or may become due thereafter and for which current income may be inadequate.
- P. To deposit all receipts collected for Owner or held on behalf of Tenant in escrow accounts separate from Agent's personal funds. However, Agent shall not be held liable in the event of bankruptcy or failure of depository (such as a bank or banking institution.) Agent may require releases from all parties in the event of a controversy before disbursing escrow funds.
 - Q. To receive interest on any Agent escrow accounts, and interest received, if any, above that which may be required by Florida Statutes to be paid to Tenant or others, shall belong to Agent to offset Agent's time and expenses of maintaining such accounts, and Agent need not account for such interest received to Owner.
 - R. To arrange for authorized individuals to inspect, survey or view the Premises as directed by Owner.
 - S. To provide security deposit evaluations and cost estimates of repairs needed at the expiration of a tenancy.
 - T. To honor Owner's preference with respect to allowing pets to be kept on the Premises. Pets — other than animals trained or used for assisted living purposes — will be permitted only with prior approval of Owner.
 - U. Agent is clothed with such other general authority and power as may be necessary or expedient to carry out the spirit and intent of this Agreement. Agent assumes no responsibility for any other services unless agreed to in writing.
 - V. Rental Rates will be the current market rate as determined in the sole judgment of Agent or no less than \$_____ per month, whichever is greater. Late charges or fees owed by any Tenants shall be collected at the discretion of the Agent and Agent shall retain any such charges and late fees.
 - W. Agent is given the authority to sign all lease(s)
 - X. Damages or Missing Items: Agent is not responsible for damage to the premises or items missing, switched out, lost or damaged under any circumstances, including but not limited to, theft, vandalism or negligence of Tenants or their guests. In furnished units, an inventory will be checked by Agent at departure. In the event Tenants damage the premises or owes any monies to the Owner, Agent is given the exclusive authority to determine in its professional judgment the amount due, charge the Tenants accordingly and/or settle with the Tenants upon advice of Agents or Owner's legal counsel. Agent is given the power to make claims upon the security deposit on behalf of Owner and Agent shall not be held liable for any failure to make claims on any damages which were not readily apparent to Agent.

IV. OWNER PROVIDES THE FOLLOWING ASSURANCES:

- A. That he/she/they/ constitute all of the Owners of the Premises and will provide a copy of the deed if requested by Agent. That he/she/they have full power and authority to hire Agent and have the right to receive income proceeds from the

Premises and that this power, authority, and right have not been assigned, or transferred to others.

- B. That all mortgages, and taxes, insurances and association dues are currently paid and are not in default, that the Premises is not now the subject of a foreclosure or pending foreclosure action. In the event a foreclosure action is filed against Owner, Agent shall be notified immediately in writing. Owner shall indemnify, defend and save Agent harmless in any foreclosure action.

V. OWNER ACCEPTS THE FOLLOWING RESPONSIBILITIES:

- A. To keep Agent informed of any changes of Ownership interest in the Premises.
- B. To be responsible for payment of the following recurring expenses: mortgage payments, taxes, fire or other insurance premiums, Homeowner/Condominium Association obligations, and any other recurring expenses unless that responsibility has been accepted by Agent in writing. Agent shall not be required to advance his own money to pay any Owner obligations, including recurring expenses, unless Owner has provided sufficient funds to cover the amount. Monthly income collected, if any, shall be applied chronologically beginning with the earliest obligation, including Agent's compensation, and the remaining balance, if any, shall be available for remaining obligations and recurring expenses then due. Mailing of previous month's statement to Owner shall be sufficient notice to Owner of balance on hand and the need for additional funds. Owner assumes full responsibility for any consequences resulting from late payment or non-payment of any obligation or recurring expenses should Agent be unable to make said payments due to insufficient funds on hand, lack of income from the Premises, non-delivery or delay of mail, or for any other reason beyond Agent's control.
- C. To provide Agent with current and up-to-date copies of any applicable Condominium or Homeowner Association rules and regulations. In the event Tenants fail to comply with the rules and regulations and the Association or Board levies fees, fines, or assessments against Owner, Agent shall not be liable for the payment of such obligations.
- D. To keep Premises adequately insured, in the amounts and of the types agreed by Owner and Agent and shall immediately notify Agent in writing should insurance lapse.
- E. To keep Agent informed in writing of any changes of Owner's mailing address and phone numbers.
- F. To place in reserve with Agent **two hundred fifty dollars (\$250.00)** per property/unit, or such other amount as may be jointly agreed to by Owner and Agent, for the purpose of maintenance repairs, or other expenses that may arise, and authorize Agent to replenish this reserve from rents collected.
- G. To cooperate fully with Agent in complying with all applicable building, housing, and health codes, as well as applicable **Fair Housing regulations. The Premises shall be rented without regard to race, creed, color, religion, sex, national origin, age, disability, marital status, familial status, or sexual preference.**
- H. Owner agrees to and does hereby indemnify and hold harmless the Agent, its employees, agents and permitted assigns, from any and all claims, suits, damages.

cost, losses and expenses arising from the management of the property and from any injury to persons and/or property occurring on or about the Premises. other than due to the gross negligence or willful misconduct of Agent. Owner agrees to indemnify Agent for damages suffered as a result of any lapse in or failure by Owner to maintain insurance coverage required by this agreement.

- I. To carry, at Owner's expenses, such public liability, property damage, and reimburse worker's compensation insurance carried by Agent, as shall be adequate and agreed to protect the interest of both Agent and Owner respecting performance of this agreement. Such policies shall name Agent as well as Owner as the party insured, and Owner shall provide Agent with a copy of insurance policy within fourteen (14) days of the execution of this Agreement. Additionally, Agent may carry insurance sufficient to protect Agent's interest respecting performance of this agreement, in the amounts and of the types required by this agreement solely and shall charge to Owner's premises the premium and ten dollars (\$10.00) for each additional premises managed by Agent for Owner to cover cost of such insurance. Agent shall waive this charge with copy of certificate in insurance policy from Owner showing adequate insurance coverage required by this agreement and Agent named as an additional insured.
- J. That Agent shall not be liable for any willful neglect, abuse or damage to Premises by Tenants or others nor for loss of or damage to any personal property of Owner by Tenant including loss due to exchange or theft by Tenants or others. Agent shall not be responsible for nonpayment of or theft of any utility service by Tenant. Agent shall not be held liable for any error of judgment or mistake of law except in cases of willful misconduct or gross negligence.
- K. Utilities: If allowed by law and unless otherwise agreed to by the parties, Tenants are required to have telephone service, cable, electric service, water service and all other utilities in their own name. In any lease where the Tenants shall have use of the Owner's utilities and be responsible for all or part of the bills, Owner shall pay the entire bill in a timely manner and forward copies to this office for reimbursement. Under no circumstances shall Owner cause the termination of these services and Owner agrees to indemnify Agent for any damages or litigation fees/cost incurred by Agent if Owner improperly terminates a utility services. Agent will deduct bills to the extent of funds available and Owner agrees that Agent shall be in no way responsible for nonpayment of or theft of any utility service by Tenants.
- L. That Agent shall have the Exclusive right to list the Property for sale and shall have the right of first refusal to match, within 30 days, any purchase offer for the Property that may be received by Owner during the term of this Agreement, and for a period of 270 days after this agreement shall have expired.

VI. MANAGEMENT COMPENSATION: In consideration of the services to be rendered by Agent, Owner shall pay Agent each month any and all of the following forms of compensation as may be applicable as they become due:

- A. FOR MANAGEMENT: Eight percent (8%) of the gross monthly rents collected. Should a security deposit claim be made to cover any unpaid rent, management fees will be applicable to such rent collected from security deposits also.

- B. FOR LEASING: A leasing fee in the amount of one (1) month rent due at the beginning of each new tenancy.
- C. RENEWALS: A renewal fee of 20% of the rent due for the first full month's rent of renewal period, in addition to a management fee 8% of that month's rent upon the renewal of lease. Any extension of the Tenant occupancy shall be deemed a renewal of the previous rental term for the purpose of renewal compensation.
- D. SUPERVISION OF REPAIRS OR OTHER WORK NEEDED: A supervision fee of 10% of the cost of the work done ONLY for jobs in excess of \$15,000.

VII. TERMINATION:

- A. Either Owner or Agent may terminate this Agreement by giving the other party sixty (60) days written notice of termination. Agent may terminate this Agreement immediately with written or verbal notice if Owner's actions or inactions appear to be illegal, improper, or jeopardize the safety or welfare of Tenants or others. Owner may terminate this agreement immediately if Agent materially breaches this agreement. Should Owner terminate this Agreement before Agent has managed the Premises at least six (6) months and Agent is not in material breach of its obligations under this agreement, Owner shall pay Agent a termination fee of three hundred dollars (\$300.00) or 30% of monthly rent owing for the last month of the agreement, whichever is greater.
- B. Owner may terminate this Agreement in writing before Agent has committed to a Tenant for the Premises and shall reimburse Agent for any out of pocket expenses.
- C. All provisions of this Agreement that indemnify, defend, and save Agent harmless from any and all matters shall survive any termination of this Agreement.
- D. Agent may withhold funds for thirty (30) days after the end of the month in which this Agreement is terminated to pay any obligations arising under this agreement; Owner shall pay Agent the deficit within thirty (30) days of termination date following notice of the deficit.
- E. In the event this Agreement is terminated by either Owner or Agent, regardless of cause, the parties agree that Agent shall have no further obligation to rent, lease, or manage the Premises.

IX. MODIFICATION OF THIS AGREEMENT:

Agent may change the terms of this Agreement by giving ninety (90) days written notice to Owner. The ninety (90) days shall be counted from the date notice was mailed. Should no written objection be forthcoming from Owner within the ninety (90) days period, Owner's acceptance of said changes shall be presumed. If Owner timely objects, the change will not go into effect, the objection will be deemed a notice of termination, and this agreement will terminate 60 days after the objection. Any exception would be a change required by applicable statute or regulation in

which case the change would become effective according to the time period required by such statute or regulation.

X. OWNER AND AGENT MUTUALLY AGREE:

- A. That this Agreement shall be governed by and construed in accordance with the laws of the state of Florida. Should one or more of the provisions contained in this Agreement be held to be invalid, illegal, or unenforceable, that disability shall not affect any other provision of this Agreement
- B. That in the event legal procedures are necessary to enforce any provision of this Agreement the prevailing party shall be entitled to recover or receive an award for their reasonable legal fees.

XI. OTHER TERMS OF MUTUAL AGREEMENT:

XII. NOTICES:

For purposes of this Agreement, all notices required herein shall be deemed to have been served upon the other party when mailed, emailed or faxed to the following addresses or to such other address as shall be changed in **Writing**, properly notifying the other party:

Agent: Colleen Harding/ Income Realty Corp.

Address: 17891 S. Dixie Hwy ste103 Miami FL 33157

Office phone: 305-251-5561

Fax Number: 305-256-3825

E-Mail: charding@incomerealty.net

SALUTATION Mr. Mrs. Ms.

OWNER NAME: _____

MAILING
ADDRESS: _____

COUNTRY: _____

HOME PHONE: _____

CELL PHONE: _____

ADDITIONAL #: _____

EMAIL ADDRESS: _____

SOC SEC #/ TAXPAYER ID#: _____

OWNER NET CHECK/DEPOSIT MADE PAYABLE TO: _____

XIII. ENTIRE AGREEMENT, SUCCESSORS AND ASSIGNS:

This Agreement embodies the entire understanding of the parties. All prior or contemporaneous agreements, understandings, representations, warranties, or statements, oral or written, are merged into this Agreement. This Agreement shall become binding upon the successors and permitted assigns of Agent, and the heirs, administrators, executors, successors, and assigns of Owner, and with Owner's prior consent, which shall not be unreasonably withheld, may be sold or assigned by Agent to any person or entity legally qualified to fulfill its terms.

FACSIMILE SIGNATURES: The parties agree that this Agreement may be executed by Facsimile and such Facsimiles shall be binding as if originals.

OWNER: _____

DATE: _____

AGENT: _____

DATE: _____