

Residential Management Agreement

This agreement is made by and between JACK Properties, LLC hereinafter referred to as PMIC and, _____ hereinafter referred to as OWNER to secure the services of PMIC in the management of real property known as: _____, hereinafter referred to as PREMISES, for a period beginning on _____, 20__ and ending on _____, 20__, then continuing on a month-to-month basis after that subject to a 30-day written notice of termination by either party and subject to the following terms and conditions.

1. APPOINTMENT AND AUTHORITY OF PROPERTY MANAGER IN CHARGE

- a. OWNER hereby appoints PMIC as the sole and exclusive PMIC, to rent, lease, manage, collect and receipt for rents and operate the PREMISES. The OWNER, however, retains the right to make all management decisions concerning establishing parameters for new tenants, rental terms, and capital or repair expenditures in excess of \$ 100.00 in any [X] month [] year and must advise PMIC of these terms at onset of Agreement.
- b. PMIC is authorized to secure the services of other real estate agents and conduct other marketing activities for purpose of securing a new tenant.
- c. It is agreed that the PMIC is entitled to compensations as provided herein in connection with any lease that may be executed during the term of this agreement, even if said lease was negotiated by the OWNER or any other party. PMIC shall be paid compensation at the rate as provided herein in connection with any lease which is being negotiated at the time of termination of this agreement if the tenant was introduced to the PREMISES by PMIC.

2. TERMS: IN THE EVENT THAT THE PREMISES ARE RENTED OR LEASED THROUGH THE EFFORTS OF PMIC, AND THE LEASE TERM RUNS LONGER THAN THE TERMS OF THE AGREEMENT, PMIC SHALL CONTINUE TO BE COMPENSATED AS STATED IN PARAGRAPH 5.

In the event that the PREMISES is not rented or leased within sixty (60) days of the date of this Agreement, or remains vacant without being subject to a lease for any sixty (60) day period, either party may terminate this Agreement upon thirty (30) days written notice to the other party of such intention to terminate, provided that such written notice is delivered to the other party prior to the rental or lease of the premises through the efforts of PMIC. If the PREMISES contain multiple rental units, the termination provisions of this section will only apply if all units were not rented or leased within sixty (60) days of the date of this Agreement, or all units remained vacant for any sixty (60) day period. Termination of this Agreement shall not adversely affect the rights of tenants under then existing lease.

3. SPECIFIC AUTHORITY FOR REPAIR AND ALTERATIONS (After initial by OWNER) .

OWNER hereby gives PMIC the following authority and powers and agrees to pay promptly on demand all legitimate expenses in connection with the following: to purchase necessary supplies; to contract for such utility services as PMIC may deem advisable; to make necessary repairs to the PREMISES without the express written consent of OWNER, limited to \$ 100.00 in any [X] month [] year, and to make OWNER authorized alterations and decorations. In addition to other authority of PMIC, PMIC may pay or incur without limitation on behalf of OWNER monthly or recurring operating charges and/or emergency repairs, if, in the reasonable opinion of the PMIC, such repairs are necessary to protect the property from damage or maintain services to the tenants as called for in state law or Rental Agreement. PMIC is authorized on behalf of OWNER to hire, discharge, supervise and pay any employees or contractors for work performed. **All providers of services shall be deemed to be acting on behalf of the OWNER and not the PMIC.** PMIC will not be liable to the OWNER or others from any act, default or negligence on the part of such persons, contractors or other workmen, providing PMIC has taken reasonable care in engaging them or their employers.

4. PROPERTY MANAGER IN CHARGE RESPONSIBILITIES

In addition to the foregoing, the PMIC will perform the following functions on OWNER'S behalf:

- a. Make reasonable efforts to collect all the rents and other fees due from tenants when such amounts become due, and deposit same into an agency real estate trust account maintained on behalf of the OWNER, but PMIC does not guarantee the payment of any tenant's rent;

- b. Withdraw from such real estate trust account all funds needed for proper disbursements for expenses payable by the OWNER including without limitation, PMIC's compensation; and remit balance of rent to OWNER at OWNER'S address set forth in Paragraph 9 with a written statement within 30 days of rent receipt, indicating said receipts and disbursements; and
- c. Collect and place into escrow accounts, as required by law, maintenance/pet fees under any lease. PMIC is authorized to disburse the maintenance/pet fees at such times and to such persons as PMIC shall in good faith believe to be entitled to such funds in accordance with the South Carolina laws governing such funds. Any interest earned on said funds shall belong to PMIC.

5. PROPERTY MANAGER IN CHARGE COMPENSATION

In consideration of the services rendered by PMIC, OWNER agrees to pay PMIC the following forms of compensation:

- a. FOR SET-UP/ORIGINATION – a fee of \$ 75 per property to be paid at the time of execution of the contract.
- b. FOR MANAGEMENT – a fee equal to 10 % of gross receipts collected including all sums collectible under any leases, with a minimum monthly fee of \$ _____.
- c. FOR LEASING – a fee equal to N/A % of the first full month's rent for each new tenant's lease shall be paid to PMIC, in addition to the management fee provided for in paragraph 5b above, but shall not be payable in connection with renewals.
- d. CHARGES TO TENANTS – Late Rent Administration Charge (late fee), Returned Check Charges, Releasing Administration Charge (court & eviction fee) and Application Fee *paid by tenants* under any lease are the property of PMIC to offset expenses in enforcing the respective provisions unless otherwise stipulated in paragraph 15.
- e. SALE TO TENANT. If a sale or exchange of the PREMISES to the Tenant, or to anyone acting for or on behalf of a tenant or to any member of a tenant's immediate family is contracted for or effected during the term of this Management Agreement or within N/A months of its termination, the BROKER will be paid by the OWNER promptly a commission of N/A % of the sales price, if the BROKER has a valid South Carolina real estate license for the sale of real property in effect on the date such sale or exchange is closed.
- f. SUPERVISION OF RESTORATION/IMPROVEMENTS; PMIC shall be paid 10 % of the cost of any and all new construction, substantial repairs and capital improvements made to premises during the term of this agreement in excess of \$ 1,000 , provided that PMIC receives written authorization from OWNER for each specific project. Any such construction shall be scheduled, coordinated supervised by PMIC on behalf of OWNER. No fee will be charged for routine maintenance and repairs.
- g. OWNER further agrees to pay PMIC actual costs for advertising or not more than \$ N/A per N/A and for all long distance phone calls and other out-of-pocket expenses actually and reasonably incurred in connection with said PREMISES.

6. INDEMNIFICATION

OWNER agrees (a) to indemnify, defend and save the PMIC harmless from all loss, expense, damage, claim suits and costs whatsoever (including without limit attorney's fees and expenses) incurred and arising from performance or attempted performance by PMIC of its duties and powers hereunder whether for personal injury and/or property damage suffered by any person whomsoever on or about the PREMISES or otherwise, and (b) to carry at OWNER'S expense, liability insurance to protect the interest of the parties hereto. Policies shall be so written as to protect the PMIC in the same manner and to the same extent as they protect the OWNER, and *will name the PMIC as an additional insured or certified holder of the policy*. The PMIC also shall not be liable for any error of judgment or for any mistake of fact or law or for anything that PMIC may do or refrain from doing, hereinafter, except in cases of willful misconduct or gross negligence. The PMIC shall not be responsible for any damage to the PREMISES, under any circumstance, by the tenant or others.

7. LEGAL PROCEEDINGS

PMIC is empowered to sign and/or cancel leases on OWNER'S behalf, to enforce the provisions of same, to institute legal action or other proper proceedings to collect rents and other sums due, and when expedient, to settle, compromise and release such actions and suits, and to dispossess tenants, and other persons, including without limit institution of eviction proceedings in the name of and on behalf of OWNER. PMIC may select the attorney of PMIC's choice to handle any such matters and incur court costs *at owner's expense*. Owner is responsible to pay all court associated costs and fees, this includes travel to and from the court and

compensation for court time. PMIC is not responsible for defending owner against any claim brought in a proceeding or court action.

8. BINDING AUTHORITY

This agreement shall be binding upon the successors and assigns of PMIC, and upon the heirs, administrators, executors, successors, and assigns of OWNER.

9. COMMUNICATIONS/NOTICE

Owner agrees to receive any and all communications from PMIC at the address, phone and fax number and the email address below. Any notice required or permitted to be given pursuant to the provisions of this agreement shall be deemed given (1) when delivered personally, or (2) on the date such notice is deposited in the United States Mail, postage prepaid, certified or registered mail, return receipt requested, at following addresses:

PMIC:

JACK Properties, LLC

536 North Main Street

Woodruff, SC 29388

(864) 476-3000

(864) 621-1363

www.JACKProperties.com

OWNER:

(Name or Company name)

(Address)

(City, State, Zip)

Phone: _____

Cell Phone: _____ Fax: _____

Email: _____

EIN/SSN: _____

10. OWNER REPRESENTATIONS AND WARRANTIES

a. OWNER represents and warrants to the PMIC that, to the best of OWNER'S knowledge, the PREMISES are free of hazardous and/or toxic wastes and/or substances (as such terms are defined under applicable federal and state laws); that the PREMISES are fit for human habitation; that there are no hidden or latent defects or conditions on or affecting the PREMISES other than:

_____, that the PREMISES are not the subject of any order to repair or to demolish or other order of any governmental authority; that the PREMISES comply with all currently applicable laws, statutes and governmental rules and regulations; that the OWNER will at all times during the term of this Agreement fully and promptly comply with the lawful requirements of all applicable governmental authorities.

b. OWNER declares that all mortgage payments have been made and account is current.

c. OWNER warrants that there **are operating smoke detectors** on the premises.

11. LEAD-BASED PAINT DISCLOSURE

For dwellings built before 1978, and as required by applicable law, a Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards (the "Disclosure") must be signed by OWNER and attached to this agreement. OWNER represents that either (1) the improvements on the property were all submitted, commenced, and constructed after December 31, 1977, or (2) the Disclosure has been fully completed and is attached to this agreement. OWNER agrees to provide PMIC with any such additional information or reports as may come to OWNER'S possession during the term of this agreement. OWNER acknowledges that PMIC has informed OWNER of the OWNER'S obligations to provide a tenant of the property with the pamphlet "Protect Your Family From Lead in Your Home," to provide information to a Tenant of the property with copies of available records and reports with respect to the property and lead-based paint and lead-based paint hazards, all pursuant to 42USC4582 (d), as amended.

12. FORCE MAJEURE

Any delays in the performance of any obligation of PMIC under this Agreement shall be excused to the extent that such delays are caused by wars, national emergencies, natural disasters, strikes, labor disputes, utility

failures, governmental regulations, riots, adverse weather, and similar causes not within the control of PMIC, and any time periods required for performance shall be extended accordingly.

13. PAYMENT FROM OWNER'S FUNDS

PMIC shall have no duty to expend PMIC's individual funds in fulfillment of PMIC's responsibilities under this agreement. All payments required or permitted to be made by PMIC shall be made from OWNER'S funds. OWNER agrees to deposit with PMIC promptly on demand such funds as may be necessary in PMIC'S reasonable judgment for performance by PMIC as provided in this Agreement.

14. AVAILABILITY OF TENANTS

PMIC shall make a good faith effort to obtain tenants for the PREMISES, but PMIC makes no guarantee that tenants can be found.

15. OTHER STIPULATIONS

JACK Properties, LLC labor rate is \$55/hour.

16. BINDING EFFECT

This agreement shall be binding on, and for the benefit of the parties hereto and their respective heirs, successors and assigns. This agreement shall be governed by, interpreted under and enforced in accord with the law of the State of South Carolina. This is the entire agreement between the parties and may not be modified except in writing signed by both parties.

17. SURVIVAL

Indemnification and other provisions of this Agreement that benefit PMIC shall survive any terminations of this Agreement.

18. FACSIMILE AND OTHER ELECTRONIC MEANS

The parties agree that the offer, any counteroffer and/or acceptance of any offer or counteroffer may be communicated by use of a fax or other secure electronic means, including but not limited to electronic mail and the internet, and signatures, initials and handwritten or typewritten modifications to any of the foregoing shall be deemed to be valid and binding upon the parties as if the original signatures, initials and handwritten or typewritten modifications were present on the documents in the handwriting of each party.

WHEREFORE, the parties have executed this Residential Management Agreement or caused the same to be executed by their authorized representative.

THIS AGREEMENT supersedes all prior written or oral agreements and can be amended only through a written agreement signed by both parties.

IN WITNESS WHEREOF, the parties hereto have subscribed their names on this ___ day of _____, 20__.

Property Manager in Charge

Witness to PMIC

Owner

Witness to Owner

Owner

Witness to Owner

**Residential Management Agreement
AMENDMENT**

The following described property:

**JACK Properties, LLC will attempt to collect \$ _____ monthly rent and
\$ _____ maintenance fee for the duration of this Agreement.**