

PROPERTY MANAGEMENT AGREEMENT
Miller Property Management

THIS MANAGEMENT AGREEMENT, entered into: MONTH: _____ DAY/YEAR: _____

BY: _____ SS#: _____
(Hereinafter called "OWNER") and Miller Property Management. (Hereinafter called "AGENT")

IN CONSIDERATION of the mutual covenants herein contained, the OWNER does hereby contract with AGENT exclusively and the AGENT does hereby contract with the owner to rent, lease, operate and manage the property described below and any other property the OWNER may assign to AGENT from time to time (hereinafter called the property) upon the following terms and conditions.

(1) **THE PROPERTY:** Located in or near the City and State of: _____
state of North Carolina, being known and more particularly described as.

IT IS AGREED BY THE OWNER AND AGENT, THE PROPERTY WHICH IS THE SUBJECT MATTER OF THIS AGREEMENT SHALL BE OFFERED TO THE PUBLIC FOR LEASING IN COMPLIANCE WITH ALL STATE AND FEDERAL HOUSING LAWS, INCLUDING BUT NOT LIMITED TO, ANY FEDERAL AND STATE LAWS AND REGULATIONS PROHIBITING DISCRIMINATION ON THE BASIS OF RACE, COLOR, RELIGION, SEX, NATIONAL ORIGIN, FAMILIAL STATUS OR HANDICAP.

(2) **DURATION OF AGENCY:** This agreement, the agency and employment created shall begin on
Date: _____ and continue until terminated as provided here in.

(3) **TERMINATION OF AGENCY:** This agreement may be terminated by either party giving the other party 60 days written notice of his / her desire intention to do so. In the event the Owner terminated the agreement while there is a tenant in the property or any lease(s) are in effect including month to month leases, he/she shall pay Agent the management fees for the remaining term of the lease plus any extensions or renewals. If the current lease is about to expire or the tenant is under a month to month lease, agent shall be due a fee equal to six months Agents Fee. If the owner wishes to terminate the agreement prior to the property being rented for the first time he/she pay agent a fee of \$ 300. within 60 days of receipt of notice of termination by Owner, agent shall render to the owner all rents on hand after having deducted there from any Agents fees then due or becoming due plus amounts sufficient to cover all other outstanding expenditures. The keys to the property shall be turned over to the owner at the time of the termination inspection. This termination inspection shall be scheduled with Agent Monday -Friday during normal business hours. Any damage to the property Owner has questions about must be reported to the Agent at the time of this inspection. If Owner fails to schedule a termination inspection with Agent, the acceptance of the keys to the property shall constitute acceptance of the property in its current condition and Agent shall not be held responsible for any damages found after the keys are delivered to the Owner at a later date.

AGENT and OWNER: understand and agree that leases entered into while this Property Management Agreement is in full force, are binding Leases and that termination of this Property Management Agreement does not, in itself, relieve either of the responsibilities in connection with any outstanding leases.

(4) **AGENT COVENANTS:** During the duration of this agreement the Agent agrees:

(A) To furnish the services of Agent's organization for the renting, leasing, operating and/or managing the Property.

(B) To use Agent's best efforts in the collecting of rent in the minimum amount: _____ per month. Agent shall be allowed to offer a \$10.00 deduction in rent below the amount specified if tenant agrees to pay by military allotment.

(C) To run a credit report to check the credit of all prospective tenants.

(D) To call previous landlord(s) when possible for a reference.

(E) To collect a security deposit from the tenants prior to tenants occupancy (such security shall be hereinafter referred to as "Tenants Security Deposits"). Tenants Security Deposits shall be placed in a Trust Account in Agent's name in Bank of America, a North Carolina Bank or Savings and Loan Association. The Agent shall be authorized to make withdrawals there from for the purpose of returning and accounting for them to the Tenants.

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AGENT MAY AT AGENTS DISCRETION PROVIDE IN THE LEASE THAT TENANTS SECURITY DEPOSITS MAY BE PLACED IN AN INTEREST BEARING ACCOUNT AND THE INTEREST ACCRUING THEREON SHALL BELONG TO THE AGENT.

(F) To render monthly statements of receipts, collections, expenses, charges and disbursements to the Owner.

(G) To use Agent's efforts to contact the Owner before any repairs in excess \$300.00 are incurred.

Robert Miller - License Number - 202815

(5) **AGENT'S AUTHORITY:** The OWNER hereby authorizes and empowers the Agent perform such acts and take such steps as are necessary, in Agent's opinion, to operate, manage, and lease the Property to the Owner's advantage including, but not limited to:

- (A) Advertising, displaying signs thereon, and renting the Property, including the authority to negotiate, execute, extend and renew leases for terms not in excess of 1 year(s).
- (B) Instituting and prosecuting judicial actions and proceeding to evict tenants and recover possession; to sue for and recover rents and other sums due to the Owner; and when expedient, to settle, compromise and release such actions and suits.
- (C) Collecting all rentals and other charges and amounts due or to become due under all leases covering the Property and giving receipts for the amounts so collected.
- (D) Making or causing to be made repairs in the Agent's opinion, may be necessary to preserve, maintain and protect the Property. To maintain the facilities and services to the Tenants as required by their tenancies; including the authority to purchase such supplies and hire at Owner's expense such labor as may be necessary in Agent's opinion to accomplish such repairs.
- (E) Contracting with a collection agent or agency to collect monies that are due to the Owner from previous tenants that have moved and no longer live in the property. Compensation to said collection agent or agency shall not exceed fifty percent of the money collected.
- (F) Performing duties and exercising any rights conferred upon the owner as Landlord under any leases entered into in connection with the Property.
- (G) Insert a military or industry clause in all leases which terminated the lease stated in N.C.G.S. 42-45 in the event of PSC orders or a job transfer from the area.
- (H) Notify the Internal Revenue service on a form 1099 of the gross rents collected by Agent each year.
- (I) Offering a deduction of \$ 10.00 on the monthly rent if Tenant pays by a military allotment.
- (J) Using Agent's judgment in deciding what damages to hold a tenant responsible for and what to charge for said damages when Tenant moves.

(6) **OWNER COVENANTS:** During the duration of this Agreement the Owner agrees:

- (A) To advance to the Agent such sums as may be necessary to cover the cost of maintaining in a safe, fit and habitable condition as required by North Carolina law (N.C.G.S. 42-45). If owner does not have the money to advance Agent and Agent advances funds for unpaid bills, the Owner shall pay agent 2% interest per month on money advanced by Agent for any unpaid bills.
- (B) To reimburse the Agent for any expenses actually incurred by him in operation, managing and maintaining the property, including, but not limited to court cost, attorney fees, maintenance and utility expenses.
- (C) To carry Owner's expense, comprehensive general liability insurance against any and all claims or demands whatever arising out of, or in any way connected with, the operation, leasing and maintenance of the Property. Said policies shall be written as to protect the Agent in the same manners as the Owner and which shall be in the minimum of \$100,000. for general liability (\$300,000 is advised). The Owner shall also be responsible to carry broad form dwelling insurance in the minimum amount of the mortgage balance. (Replacement cost of the dwelling and any personal property is advised).
- (D) To save the AGENT harmless from all damages or the cost of damages caused by tenants, caused by the acts of others or caused by Agent or Agent's employees. It is understood that when a property is inspected, agent is under certain time constraints and every person sees different items as damages. Agent shall not be responsible for the cost of damages not noticed during a move out inspection.
- (E) In recognition of the extraordinary work invoiced in the collection of late rent, returned checks and filing court actions, AGENT shall be allowed to with hold late charges, returned check fees and court filing fees charged to tenant and collected in excess of the monthly rent. These amounts shall not be recorded on the owner's monthly statement.
- (F) Agent shall be required to send OWNER copies of leases when requested.
- (G) It is expressly understood and agreed that if there is more than one OWNER; either OWNER may act for the other, in any matter pertaining to this agreement. The checks to owners can be made out to either owner or both owners.
- (H) To furnish Agent the Owner's social security number or federal ID number to be used when reporting gross money collected on the Internal Revenue Service Form 1099.

(7) **AGENT'S FEE:** Agent shall deduct each month 10%, TEN PERCENT of the gross receipts. **Minimum charge per month per unit is \$75. An additional fee of \$75 will be charged when a new tenant is placed in the property to help offset the cost of the AGENT for advertising, showing and referral fees paid to other agents.** To offset the cost of long distance phone calls to Owner, the extra ordinary time invoiced in planning, securing bids, purchasing of materials, coordinating of workmen, inspecting and/or general; coordination of major maintenance jobs, a fee up to Ten Percent of the job cost may be charged on major repairs costing in excess of \$300. This coordination of repair fee will only be charged for properties that rent for less than \$850 per month.

