



**Property Solutions Inc.**

9101 Lee Vista Blvd., Suite B

Orlando, FL 32829

Telephone (407) FOR-RENT (407) 367-7368 ♦ Fax (407) 358-5136

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## **Exclusive Property Management Agreement**

This EXCLUSIVE PROPERTY MANAGEMENT AGREEMENT is between \_\_\_\_\_, fee simple owner of the subject property and/or with legal authority to execute this agreement, hereinafter referred to as OWNER, and M & M Property Solutions, Inc., hereinafter referred to as MANAGER. This agreement shall be governed by and construed in accordance with the laws of the State of Florida and with venue in Orange County.

### **AUTHORITY TO RENT AND MANAGE PROPERTY:**

OWNER gives MANAGER the exclusive right to secure a tenant and manage the real and personal property described as: \_\_\_\_\_, beginning the \_\_\_\_\_ day of \_\_\_\_\_, 2011 and continuing for a period of not less than twelve (12) months, except that either party may terminate this Agreement upon giving thirty (30) days calendar written notice to the other party by certified mail. MANAGER reserves the right to terminate this agreement immediately with written or verbal notice if in the opinion of MANAGER'S legal council, OWNER'S actions or inactions are illegal, improper, or jeopardize the safety or welfare of any tenants or other persons. Broker may at its option continue to hold OWNER liable for any commissions due or monies owed MANAGER if the tenant remains in the property after such termination by MANAGER. In the event this agreement is terminated, the MANAGER'S rights provided for in this agreement shall survive such termination. All monies expended by MANAGER shall be paid to MANAGER prior to cancellation and MANAGER is authorized to withhold any sums owed to MANAGER from monies held prior to the final disbursement to OWNER. Failure to give notice constitutes an automatic and continuous agreement by the parties to the terms set forth herein.

The parties hereto recognize they are bound by the Civil Rights Act of 1866, Title VII of the Civil Rights Act of 1968, and the United States Constitution and that the subject property will be offered to prospective lessees without regard to race, color, religion, sex, national origin, age, or handicapped persons.

### **MANAGEMENT OBLIGATIONS AND AUTHORITY:**

MANAGER agrees to use due diligence to manage, operate and lease the property in accordance with this agreement. OWNER expressly grants to the MANAGER the following authority:

- A. Full management and control of said property with authority to collect all rent and other monies and security deposits from tenants in property and issue receipts therefore. The owner shall be responsible for and shall reimburse, or pay in advance as requested by manager, all third party (vendor, repairman or legal cost) expenses incurred or to be incurred by manager pursuant to this Agreement.
- B. To prepare, negotiate and execute new leases and renewals of existing leases in accordance with the rent schedule, approved by OWNER and MANAGER jointly. MANAGER is authorized, for and on behalf of OWNER, to execute leases for a maximum of one year at a time.
- C. To have minor repairs made, to purchase necessary supplies, pay all bills and to charge same to OWNER and to pay for these services, repairs, improvements, and bills from the OWNER's funds, unless Owner has notified Manager in writing prior to the commencement of repairs to use someone else that Owner has selected, and Owner makes arrangements with third party direct. Owner agrees that they shall pay third party direct and shall indemnify and hold manager harmless for payment of same. MANAGER will obtain prior approval of OWNER for any item or service in excess of \$250.00, except for monthly or recurring expenses and emergency repairs which in MANAGER'S opinion are necessary to prevent property from becoming uninhabitable or damaged, to avoid suspension of services required to be provided by law or lease, or to avoid penalties or fines imposed by a government agency.
- D. Enter into contracts on OWNER'S behalf for utilities, public services, maintenance, repairs, and other services as MANAGER deems advisable.
- E. To initiate and prosecute eviction and damages actions on behalf of OWNER, and at OWNER'S expense, procure legal counsel for this purpose. MANAGER is given the exclusive authority to process and determine in its professional judgment the amount of the claim upon the security deposit on behalf of OWNER, charge the tenant accordingly and/or settle with the tenant(s) upon advice of legal council. MANAGER shall not be held liable for any failure to make claim or claims on any damages which were not readily apparent to MANAGER. MANAGER is not responsible for items

Initials \_\_\_\_\_

missing, lost, or damaged, under any circumstances, including, but not limited to, theft, vandalism or negligence of tenants, their guests or vendors.

- F. To advertise premises at the expense of OWNER at a minimum of \$50.00 per month. If amount exceeds \$50.00, owner will be charged at cost.
- G. To hire and discharge on behalf of OWNER, and pay from OWNER'S funds, all persons necessary for the maintenance and operation of the property. It is understood that all persons so employed shall not be deemed to be employees of the MANAGER, per se.
- H. To deposit all receipts collected for OWNER (less any sums properly deducted or otherwise provided for) in a Trust Account separate from MANAGER'S Corporate Account. It is understood that any and all interest monies obtainable from the maintenance of said Trust and/or Escrow Accounts shall accrue to the benefit of MANAGER. MANAGER shall not be liable for bad checks or monies not collected.
- I. MANAGER 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 with respect to the leasing, management, and operation of the property hereinbefore described, except authority and responsibility expressly retained by Owner. MANAGER will require releases from all parties in the event of a controversy before distributing funds.
- J. The OWNER agrees that the MANAGER shall collect late fees, non-negotiable check fees and application fees, and that these fees are the property of the MANAGER to offset the MANAGER'S expenses in enforcing the respective lease agreement provisions. If these fees are not paid, they may be deducted from the tenant's security deposit.
- K. In the event a prospective tenant places a holding deposit with Broker and fails to take possession, said deposit, if retained, shall be disbursed 50% to OWNER and 50% to MANAGER. MANAGER retains the right to refund this deposit to prospective tenant in full or part upon the advice of council.
- L. In order to maintain the repair account balance, Owner will provide Manager with \$250.00 and if owners account falls below \$250.00, Manager may replenish it from the rents received. In the event repairs are made, Manager shall withhold the amount disbursed from the next ensuing rent collected. Owner shall deliver copies to Manager of any Service Contracts or Warranties that exist, if any. If no Warranties or Service Contracts are received, manager shall assume none exist and shall not later be held liable for repairs made that may have been under warranties or service agreement.

### **MANAGEMENT RESPONSIBILITIES:**

The MANAGER agrees to accept the following responsibilities:

- A. To use due diligence in the management of the premises for the period and upon the terms herein provided, and agrees to furnish the service of M & M Property Solutions, Inc., for the renting, leasing, operating, and managing of the subject premises. Agent assumes no liability for any failure of or default by any tenant in the payment of any rent or other charges due OWNER or in the performance of any obligation owed by any tenant to OWNER pursuant to any lease or otherwise.
- B. To render monthly statements of income, expenses and other charges, and to remit funds to OWNER less the rental and management commission, fees, reserve amount, and any costs and expenses provided for in this agreement by regular US Mail. It is understood that no funds will be released until such time as monies have cleared the MANAGER'S Trust Account. Statements shall be generated between the 15<sup>th</sup> and 21<sup>st</sup> of the month. In the event present or future disbursements shall be in excess of the rents that are collected by MANAGER, OWNER hereby agrees to pay such excess promptly upon notification by MANAGER. If in MANAGER'S judgment it may be necessary or proper to reserve or withhold OWNER'S funds to meet obligations which are or may become due thereafter and for which current income is or may not be adequate, MANAGER may do so.
- C. MANAGER'S employees who handle or are responsible for OWNER'S monies shall be bonded by a fidelity bond.
- D. MANAGER assumes no liability whatsoever for any acts, debts, or omissions of OWNER, or any previous management or other agent of either. Nor does MANAGER assume any liability for previously unknown violations of environmental or other regulations which may become known during the period this agreement is in effect. Any such regulatory violations or hazards discover by MANAGER shall be brought to the attention of OWNER in writing, and OWNER shall promptly cure them.

### **OWNER'S AUTHORITY AND RESPONSIBILITIES:**

The OWNER expressly retains the following authority and responsibilities:

- A. To approve new tenants based on the job security, creditworthiness and the advice of MANAGER.
- B. To decide jointly with MANAGER on a rent schedule for new tenants based on the OWNER'S knowledge of the rental market, or as communicated to OWNER by MANAGER and knowledge of the required upkeep and routine maintenance of the property.
- C. To execute all leases (or to delegate the exercise of this responsibility to MANAGER).
- D. To approve any capital expenditures.
- E. To limit advertising expenditures at any time.

- F. To enter the property at reasonable intervals for the purpose of making inspections to affirm the habitability of the property and to assure that MANAGER is performing management responsibilities as agreed.
- G. The OWNER shall become responsible for and assume all expenses in connection with the property subject to this agreement.
- H. OWNER shall pay reasonable expenses incurred by MANAGER in obtaining legal advice regarding compliance with any law affecting the premises or activities related to them. If such expenditure also benefits others for whom MANAGER in this agreement acts in a similar capacity, OWNER agrees to pay an apportioned amount of such expenses.
- I. To hold MANAGER harmless and indemnify MANAGER from any and all costs and expenses incurred by MANAGER, including attorney's fees and costs at the trial and appellate levels, from any and all proceedings, suits, or other claims in connection with the management of said property, except in the case of proven gross negligence or illegal acts by MANAGER, and from all liability for injuries to persons or property suffered or sustained by any persons whomsoever.
- J. OWNER shall be responsible for providing MANAGER with all current rules and regulations, and for payment of any recreation, land, and/or other fees, fines, or assessments, levied by a condominium and/or homeowners association, and OWNER agrees to indemnify MANAGER for payment of same. In the event the tenant(s) fails to comply with the rules and regulations and the association or board levies fines or assessment against the OWNER, OWNER agrees that MANAGER is in no way liable for the payment of any fees, fines, or assessments.
- K. To carry, at OWNER'S sole expense, public liability, property damage, and extended coverage insurance adequate to protect the interest of OWNER and MANAGER. Said insurance will name both MANAGER and OWNER as insured parties, and will specifically cover the indemnity and hold harmless provisions of subparagraph I. above. Said insurance shall require, by its terms and conditions that the insurance carrier not be permitted to cancel insurance coverage without giving thirty (30) days prior notice to MANAGER. OWNER is to provide MANAGER with Certificate of Insurance as evidence that the property is insured under appropriate fire/landlord's policy.

**INSURANCE COMPANY:** \_\_\_\_\_ **POLICY NO.:** \_\_\_\_\_

**Agent's Name/Address/Telephone:** \_\_\_\_\_

### **COMPENSATION:**

OWNER shall pay MANAGER the following fees, plus any sales tax relating to such fees if applicable, which fees shall become due and payable to MANAGER upon the execution of leases as herein provided:

- A. For management: 10 % of gross revenue collected or a minimum of \$ 75.00 , per unit, whichever is the greater amount, said fee to be payable as revenue is collected.
- B. For leasing: 6 % of the gross total receipts; future leasing fees to be pro-rated to compensate for unfulfilled lease terms; and 3 % of the gross total receipts on existing renewals, all fees to be collected at time lease or lease extension is executed. Leasing fees for lease terms or less than one (1) year and/or furnished units will be negotiated on an individual basis.
- C. For supervising contracted Improvements, remodeling, repairs, or insurance claims *ABOVE and BEYOND* normal refurbishment of the property, a fee of five percent (5%) of the total cost shall be due and payable from the OWNER to the MANAGER upon completion of this work.
- D. It is understood by the parties hereto that this agreement constitutes an exclusive authorization to lease and manage the subject property. OWNER agrees to pay MANAGER a fee in accordance with paragraph B. above if the property is leased by OWNER or any party other than MANAGER during the term of the agreement or a lease fee of an amount equal to one (1) month's rent should OWNER lease subject premises with ninety (90) days following termination of this agreement to a prospect to whom property was shown or was otherwise procured by MANAGER.
- E. If a sale or exchange of the managed property is effected to a tenant who occupies the property during the term of this agreement, or anyone acting on the tenant's behalf, Manager shall be considered the procuring cause of such sale and Manager shall be paid a commission of three percent (3%) of the gross sales price or valuation upon the close of the transaction. This provision for sales commission shall survive any termination of this agreement. Should the Owner decide to list their property for sale with another real estate broker, Owner must exclude in their listing agreement any tenant(s) Manager has secured in the past, present or future tenants that will be occupying Owners property during the term(s) of Owners listing agreement. Failure to do so will result in Owner possibly paying a double sales commission. Any subsequent lease by Owner or listing agreement with any other real estate broker will not modify this sales commission between Owner and Manager.

**MATERIAL FACTS CONCERNING PROPERTY:** List facts (including defects) that materially affect the property, such as structural problems, pending condemnation, foreclosure, presence of dangerous substances, or other occurrences on property. **(To be completed by OWNER).**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**NOTICES:**

For the purposes of the agreement, all notices required herein shall be deemed to have been served upon the other party when mailed to the following addresses or such other addresses as shall be changed in writing, properly notifying the other party.

**Owner:** \_\_\_\_\_

**Mailing Address:** \_\_\_\_\_

**E-Mail Address:** \_\_\_\_\_ **Telephone:** \_\_\_\_\_

**Manager:** M & M Property Solutions, Inc., 9101 Lee Vista Blvd., Suite B, Orlando, Florida 32829

**SPECIAL CLAUSES:**

**Facsimile Signatures:** The parties agree that this agreement may be executed by Facsimile and such Facsimile shall be binding as if originals.

This agreement shall be and become binding upon the heirs, successors, and assigns of the property hereto.

OWNER

\_\_\_\_\_  
SS #/ Federal ID#: \_\_\_\_\_

SS #/ Federal ID#: \_\_\_\_\_

Date: \_\_\_\_\_

MANAGER

M & M Property Solutions, Inc.

By: \_\_\_\_\_

Lisa McLacklan, Property Manager

Date: \_\_\_\_\_