

MANAGEMENT AGREEMENT

This agreement is made by and between Doug Shorter Property Management, Inc., as BROKER and _____ hereinafter referred to as OWNER in the management of real property known as _____ hereinafter referred to as the PREMISES, for a period of _____ mos/yrs, beginning on _____ and ending on _____, and subject to the following terms and conditions:

Unless sixty (60) days notice in writing is given PRIOR TO THE EXPIRATION of the period specified above, of an intent to terminate this agreement, it is hereby agreed upon that this agreement will be considered as extended and binding from the termination of the period specified in all its provisions until such time as one party notifies the other, after which this agreement may be terminated on the last day of any calendar month by notice of not less than sixty (60) days given by either party, provided the PREMISES is not under lease.

1. APPOINTMENT AND AUTHORITY OF AGENT

- a. Owner hereby appoints BROKER as the sole and exclusive agent 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 \$ _____ in any month and must advise BROKER of these terms at onset of Agreement.
- b. BROKER is authorized to secure the services of other real estate brokers and conduct other marketing activities for purposes of securing a new tenant.
- c. BROKER is empowered to sign and/or cancel leases on OWNERS'S behalf, to enforce the provisions of same, to institute legal actions or other 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 and on behalf of OWNER. Agent may select attorney of BROKER'S choice to handle any such matters at owner's expense.
- d. It is agreed that the BROKER is entitled to compensation 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. BROKER 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 BROKER.

2. **TERMS: IN THE EVENT THAT THE PREMISES ARE RENTED OR LEASED THROUGH THE EFFORTS OF BROKER, AND THE LEASE TERM RUNS LONGER THAN THE TERMS OF THE AGREEMENT, BROKER SHALL CONTINUE TO BE COMPENSATED AS STATED IN PARAGRAPH 6.** 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 BROKER. If the PREMISES contain multiple rental units, the termination provisions of this section will only apply to the vacant units that 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 leases.

3. SPECIFIC AUTHORITY FOR REPAIR AND ALTERATIONS

- a. OWNER hereby gives BROKER the following authority and powers and agrees to pay promptly on demand all legitimate expenses in conjunction with the following: to purchase necessary supplies; to contract for such utility services as BROKER may deem advisable; to make necessary repairs to the PREMISES, limited to \$ _____ in any month and to make Owner authorized alterations and decorations . In addition to other authority of BROKER, BROKER 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 BROKER, such repairs are necessary to protect the property from damage or maintain services to the tenants as called for in the "South Carolina Landlord Tenant Act" or rental agreement. BROKER is authorized on behalf of OWNER to hire, discharge, supervise and pay employees, servants or contractors for work performed. **All providers of services shall be deemed to be acting on behalf of the OWNER and not the BROKER.** BROKER will not be liable to OWNER or others for any act, default or negligence on the part of such persons, servants, contractors or other workmen, providing BROKER has taken reasonable care in engaging them or their employers.
- b. A Reserve Fund will be established and maintained in the amount of \$ _____ to be paid () from first rental payments, or () \$ _____ per month from rental proceeds.

4. BROKER'S RESPONSIBILITIES

In addition to the forgoing, the BROKER 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 trust account, but BROKER does not guarantee the payment of any tenant's rent;
- b. Withdraw from such accounts all funds needed for proper disbursements for expenses payable by the OWNER including without limitation, BROKER'S compensation and remit balance of rent to OWNER in OWNER'S financial institution account as set forth below 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, security deposits under any lease. BROKER is authorized to disburse the security deposit at such times and to such persons as BROKER in good faith believe to be entitled to such funds in accordance with South Carolina laws governing security deposits. Any interest earned on said deposits, shall belong to BROKER.

5. NON-ROUTINE SERVICES

BROKER will provide services related to certain non-routine issues that may include:

- a. Administration of insurance claims, fire restoration, disaster, catastrophes, new construction, substantial repairs and capital improvements at a rate of \$50.00 per hour or 10% of the claim/cost, whichever is greater. No charge will be imposed for administration of routine maintenance and repairs, including painting.
- b. Participation in legal actions initiated by or on the OWNER'S behalf, which includes court appearances, depositions, consultations with attorneys, auditors, background and investigative work involving or related to any legal action at an hourly rate of \$50.00 plus travel if more than 15 miles one way is involved.
- c. Customized financial reports at an hourly rate of \$50.00 per hour.

6. BROKER'S COMPENSATION

It is agreed that the BROKER is entitled to compensation as provided herein in connection with any lease that may be negotiated during the term of this agreement, even if said lease was negotiated by the OWNER or any other party. Additionally, BROKER shall be paid compensation at the rate provided herein in connection with any lease which is being negotiated at the time of termination of this agreement if the applicant is introduced to the PREMISES by BROKER. In consideration of the services rendered by BROKER, OWNER agrees to pay BROKER the following forms of compensation in addition to that mentioned above:

- a. FOR SET-UP/ORIGINATION - a fee of \$ _____ to be paid at the time of execution of the contract.

- b. FOR MANAGEMENT - a fee equal to ____ percent of gross receipts collected including all sums collectible under any leases, with a minimum monthly fee of \$ _____ .
- c. FOR LEASING - a fee equal to ____ percent of a full month's rent once a new tenant is installed shall be paid to BROKER, in addition to the management fee set forth in paragraph 6b above but shall not be payable in connection with renewals.
- d. CHARGES TO TENANT - Late Rent Administrative Charge, Returned Check Charges, Releasing Administration Charge and Application Fees paid by tenants under any lease are the property of BROKER 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 twelve (12) months of its termination, the BROKER will be paid by the OWNER'S promptly and to the full extent permitted by law a fee of ____ percent (____%) of the sales price (fair market value if an exchange is made) 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 - BROKER shall be paid ____ percent 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 \$ _____, provided that BROKER receives written authorization from OWNER for each specific project. Any such construction shall be scheduled, coordinated and supervised by AGENT on behalf of OWNER. No fee will be charged for routine maintenance and repairs.
- g. OWNER further agrees to pay BROKER actual costs for advertising or not more than \$ _____ per _____, and for all long distance phone calls and other out-of-pocket expenses actually and reasonably incurred in connection with said PREMISES.

7. INDEMNIFICATION

OWNER agrees (a) to indemnify, defend and save the BROKER harmless from any and 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 BROKER 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 public liability insurance of at least \$300,000 to protect the interest of the parties hereto. Policies shall be so written as to protect the BROKER in the same manner and to the same extent as they protect the OWNER, and will name the BROKER as an additional insured or certified holder of the policy and to furnish to the BROKER certificates evidencing such. The BROKER also shall not be liable for any error of judgment or for any mistake of fact or law or for anything which BROKER may do or refrain from doing, hereinafter, except in cases of willful misconduct or gross negligence. The BROKER shall not be responsible for any damage to the PREMISES, under any circumstances, by the tenants or others.

8. TERMINATION BY AGENT

AGENT may immediately terminate the agency by written notification if said PREMISES is sold, condemned or destroyed, or a petition for bankruptcy is filed by either OWNER or AGENT or OWNER fails to comply with any ordinance, law, rule or regulation by any local, state or Federal Government agency, authority or official claiming to have jurisdiction with respect to the rental or sale of the PREMISES. If OWNER files for bankruptcy or mortgage company forecloses due to non-payment of mortgage, AGENT will be paid all management fees due under the current lease, and may withhold them from the rental payments to the OWNER. Such termination will become effective when notice to terminate immediately is personally delivered to OWNER or notice by registered mail is deposited in the mail.

9. CANCELLATION

Subject to the rights of existing tenants, this agreement may be canceled by either party with written notice, providing, that termination become effective on termination date signed in such written notice which shall not be less than sixty (60) days after delivery or mailing of such notice. In the event of any termination by the OWNER of this agreement with existing tenants, notice will be accompanied by payment to the AGENT of a cancellation fee in an amount equal to one hundred percent (100%) of the management fee that would accrue over the remainder of the stated term of the agreement, plus any extensions, or over a six (6) months period, whichever is greater, and additional lease fees as provided above. For this purpose, the monthly management fee shall be in accordance with paragraph 6b. above. (Payment not required if PREMISES is not under lease or if sale is subject to the provision contained in paragraph 6e. above.)

10. BINDING AUTHORITY

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

11. COMMUNICATIONS/NOTICE

Owner agrees to receive any and all communications from Broker at the address, phone and fax numbers 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:

BROKER: Doug Shorter Property Management Inc, 4754 Franchise Street, Charleston SC 29418-2909. Phone: (843) 760-5280, Fax: (843) 760-5282, Email: dspm@knology.net.

OWNER: _____

(Name)	(Social Security Number/Tax ID)
(Street Address)	(City, State, Zip)
(Phone)	(Email)

12. PAYMENT FROM OWNER’S FUNDS

BROKER shall have no duty to expend BROKER’S funds in fulfillment of BROKER’S responsibilities under this agreement. All payments required or permitted to be made by BROKER shall be made from OWNER’S funds. OWNER agrees to deposit with BROKER promptly on demand such funds as may be necessary in BROKER’S reasonable judgement by BROKER as provided in this agreement.

13. OWNER REPRESENTATION AND WARRANTIES

- a. OWNER represents and warrants to the BROKER 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 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, installed in accordance with local codes, on the PREMISES.
- d. OWNER represents that utility service requirements are current and utilities can be secured from local providers.

14. 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 BROKER with any such additional information or reports as may come to OWNER’S possession during the term of this agreement. OWNER acknowledges that BROKER 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.

15. FORCE MAJEURE

Any delays in the performance of any obligation of BROKER 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 other similar causes not within the control of BROKER, and any time periods required for performance shall be extended accordingly.

16. AVAILABILITY OF TENANTS

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

17. BREACH OF CONTRACT

OWNER acknowledges liability for all AGENT’S attorney and court fees associated with any court action based on a Breach of Contract by OWNER.

18. 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 accordance 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.

19. OTHER STIPULATIONS

20. SURVIVAL

Indemnifications and other provisions of this agreement which would benefit BROKER shall survive any termination of this agreement.

21. 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 the 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.

22. PROPERTY MANAGEMENT

BROKER is the authorized AGENT of OWNER for the purposes of managing Property in accordance with this agreement. AGENT reserves the authority to 1-select tenants in accordance with established policies and OWNERS pre-established guidelines, 2-be the exclusive point of contact for all dealings with tenant and 3-have the power and legal authority to exercise the rights of AGENT hereunder. Owner will be consulted whenever a problem arises outside of normal rental matters. Tenants will be rejected whenever AGENT determines an “at risk” tenant’s application is received. OWNER will have the option to override BROKER’s rejections at his/her own risk and subject to additional charges should eviction actions or collection actions be necessary. OWNER is encouraged to refrain from ANY direct communications with tenant and will not make any arrangements with tenant concerning tenancy.

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 have set their hands and seals on this _____ day of _____, _____.

BROKER

Witness to BROKER

BROKER-IN-CHARGE

Witness to BROKER-IN-CHARGE

OWNER

Witness to OWNER

OWNER

Witness to OWNER

17. PROPERTY INFORMATION AND RESTRICTIONS

Owner's Name _____ Social Security # _____

Owner's Address _____ Phone Home _____

Owner's E-Mail _____ Phone Work _____

Phone Cell _____

Proceeds disbursed to Bank via electronic pay

(Savings) (Personal Checking) (Business Checking)

ACCOUNT TYPE (CIRCLE ONE)

FIRST NAME LAST NAME

ACCOUNT NUMBER ROUTING NUMBER

Emergency Contact _____ Phone _____

Insurance Company/Agent _____

Lease Length	Minimum	_____	Rental Amount	Minimum	\$ _____
	Desired	_____		Desired	\$ _____
	Maximum	_____	Security Deposit		\$ _____

Date home ready for occupancy _____ Date owner expects to return _____

Will property be offered for sale ? _____ When ? _____

Contract Services:

Payment by

Termite Bond Company

Owner (only)

Pest Control Company

Owner _____

Agent _____

Association Fees

Owner _____

Agent _____

Other _____

Owner _____
Agent _____

Utilities:

Restrictions:

Water/Sewer _____

Pets _____

Pet Fee _____

Trash Removal _____

Singles/Roommates _____

Electricity/Gas _____

Housing Assistance _____

Other _____

Description of PREMISES _____

Schools

Elementary _____ Middle _____ High _____

ADDITIONAL INFORMATION/NOTES
