

# **RENTAL MANAGEMENT CONTRACT**

In consideration of the covenants herein contained, \_\_\_\_\_, SSN \_\_\_\_\_, and spouse, \_\_\_\_\_, hereinafter called "OWNER" and RENTAL MANAGEMENT COMPANY; hereinafter called "AGENT", agree as follows:

1. The OWNER hereby employs the AGENT exclusively to advertise, rent and manage the property known as \_\_\_\_\_ in \_\_\_\_\_ County, North Carolina, upon the terms hereinafter set forth for the period of three (3) years from \_\_\_\_\_ to \_\_\_\_\_ (date).

This contract shall automatically extend for periods of one year each unless either party has given to the other thirty (30) days written notice of that party's intent to terminate. Such notice shall be received by the other party at least thirty (30) days prior to the expiration of the existing term.

2. The AGENT agrees to accept the management of the said premises upon the terms herein provided, and does agree to furnish the services of its organization for the renting and managing of said premises to include:

- A. To use its best efforts to procure suitable tenants for vacancies as they occur. To collect all rents as they become due from tenants and deposit same into an agency account maintained on behalf of OWNER. Withdraw from such account all funds needed for proper disbursements for expenses payable by OWNER including, without limitation, the AGENT'S commission and VENDOR'S invoices incurred under the terms contained herein.
- B. To represent the OWNER in any small claims action against tenant or vendor and to so protect the OWNER'S interest as they may occur.
- C. To aid, assist and cooperate in the matter of real property taxes and insurance loss adjustments and to perform such duties in connection therewith as may be requested by the OWNER in writing. AGENT reserves the right to decline such additional services beyond the scope of this agreement for which additional fees are not agreed upon.
- D. To utilize the services of other real estate brokers, place newspaper advertising, post rental signs on the premises, and to list the property with military housing authorities.
- E. To use diligence in contracting, on behalf of OWNER, for repairs and other services, and will have the recognized right to hire, discharge, supervise and pay any employees, servants or contractors for work performed.
- F. To maintain accurate and complete accounting records of all receipts and disbursements and to submit at least once a month a summary statement to the OWNERS indicating collections and expenses, along with copies of paid bills.

3. The OWNER hereby gives the AGENT the following authority and powers:

- A. To advertise the premises for rent, to display signs thereon, and to rent/lease the same; to sign, renew and/or cancel leases for the premises, with express authority in the AGENT to sign leases for terms not in excess of 3 year(s) for a monthly rent from \$\_\_\_\_\_ to \$\_\_\_\_\_.
- B. To collect rents due or to become due and give receipts therefore. To pay the AGENT 10% percent of the gross amount of money received from the renting of said property during the term of the lease negotiated under the terms of this agreement or within a three (3) month period from the time this agreement is terminated as herein provided if the tenant is under a month-to-month tenancy.
- C. To contract for, on behalf of OWNER, immediate emergency repairs if in the opinion of the AGENT such repairs are necessary to protect the property from damage or to maintain services to the tenant as called for by his contract and in accordance with North Carolina General Statute #42, Emergency repairs are defined as those by whose neglect of immediate remedy will damage the serviceability of the property or cause the value of the property to be adversely affected.
- D. To contract for, on behalf of OWNER, ordinary repairs, and normal preventative maintenance, to include necessary maintenance supplies, vermin/termite extermination, trash removal and other services which the AGENT shall deem advisable for the preservation of the property, and to make such repairs, alterations or decorations to the premises not to exceed the sum of \$\_\_\_\_\_, without the express written consent of the OWNERS, unless the AGENT shall consider the circumstances surrounding the request for repairs or services to be an emergency and prior OWNER consent is not readily available.

To mail all monthly rental proceeds to:

- E. To collect a security deposit from LESEE in the amount up two (2) month's rent for insurance against damage. OWNER ACKNOWLEDGES AND AGREES AGENT MAY PLACE TENANT'S SECURITY DEPOSIT IN AN INTEREST-BEARING ACCOUNT. The interest earned on that deposit shall become the sole property of AGENT. The taxes paid on that account and the necessary accounting work attendant thereto shall be the sole responsibility of RENTAL MANAGEMENT COMPANY.
- F. To insert a military or industry clause in all leases which terminates the lease in the event of the LESEE'S receipt of PCS orders or a job transfer requiring a change of residence outside cited community.
- G. **\*\*For homes with Oil Furnaces\*\*** to hold the agent free of any responsibility for fuel oil left in tank when property is vacated. If the OWNER leaves the oil tank full, the lease will be based on full to full arrival/departure inspection. OWNER departing with full tanks will so notify AGENT in writing for inclusion in checkout inspection.
- H. OWNER acknowledges that HOMEOWNERS type insurance policies do not provide coverage for tenant occupied property and that the total responsibility to maintain sufficient hazard and personal liability insurance rests with OWNER. OWNER agrees to furnish AGENT the insurance declaration page to identify the insurance company agency in case of loss.

4. The OWNER further agrees:

- A. To save the AGENT harmless from all damage suits and costs incurred in connection with the management of properties where the court finds no negligence on the part of the AGENT.
  - B. To remove all personal property from premises except for appliances and to save the AGENT harmless from any loss or damage to any personal items (except appliances) so left on premises after departure and to furnish AGENT model & serial numbers of all appliances so remaining.
  - C. To recognize the extraordinary work involved in collection of late fees, dishonored checks, summary ejectments, and court proceedings involving tenants. OWNER agrees that AGENT may withhold as expenses all late fees and/or charges collected in excess of the monthly rent.
  - D. That whenever a new TENANT is placed in the property, to defer the cost of transportation, showing and all other expenses a one-time charge of Thirty Five Dollars (\$35.00) will be made for each new TENANT.
  - E. That it recognizes that simultaneously with the successful leasing of the property by AGENT; that AGENT has earned and is entitled to the entire management fee for the entire term of the lease which AGENT has procured.
  - F. The AGENT will not be liable to the OWNERS or others for any act or omission on the part of contracted vendors, employees or other workman hired to perform services for the property if the AGENT has taken reasonable care in their selection and employment.
  - G. **To allow AGENT to act as exclusive sales agent should OWNER desire to sell said property** during the term of any lease negotiated under the terms of this agreement or the period of tenancy of any person so placed by AGENT or within a three (3) month period from the time this agreement is terminated as herein provided for which ever period is longer.
  - H. That the property will be offered to any person meeting financial and personal surety without regard to race, color, religion, sex or national origin. The management and offering of the property will be in accordance with applicable State and Federal laws governing landlords and tenants.
5. TERMINATION: After the initial term, OWNER and AGENT reserve the right for any reason whatsoever to terminate this agreement upon ninety (90) days written notice to the other, subject to the commissions due the AGENT under the unexpired portion of any and all leases or the whole or any part of any tenancy created by AGENT in existence at the time of the termination of this agreement as mentioned above. Upon termination AGENT and OWNER agree to promptly settle all outstanding accounts including but not limited to disbursement of tenant escrow deposits, any due to OWNER and any vendor invoices owed by OWNER incurred on behalf of the OWNER by AGENT.
6. This agreement is entered into by and between OWNER and AGENT, subject to any and all provisions, when properly signed, and shall be binding upon the successor and assigns of the AGENT, and the heir, executors, administrators, successors and assigns of the OWNER.

IN WITNESS WHEREOF the parties hereto have affixed their respective signatures this date: \_\_\_\_\_

By: \_\_\_\_\_  
 Owner (Seal)

\_\_\_\_\_  
 Owner (Seal)

\_\_\_\_\_  
 Rental Management Company  
 A division of Showcase Construction Co