

PROPERTY MANAGEMENT AGREEMENT

This Agreement is effective on _____, by and between _____, hereinafter referred to as "Owner" and Fortune Real Property Management Serv. Inc., a Texas Corporation, hereinafter referred to as "Agent".

Agent is hereby designated as the exclusive agent and representative of Owner to rent, lease, operate, control, evict and manage the following properties:

1) _____

2) _____

3) _____

See Addendum for more properties if needed.

AGENT'S RESPONSIBILITIES:

It is agreed that the authorities, duties and responsibilities of Agent in connection with the management of said property shall be as follows:

- 1) Agent shall supervise the collection of rents and other charges due the Owner. Agent will provide monthly statements of same. Agent shall advertise the property for lease at the Owner's expense in any manor that Agent deems appropriate. The advertising cost is \$7.00 per day for each property until leased.
- 2) It is understood by Owner, that the Management Company retains all late fees and NSF fees paid by Tenant to help offset the extra costs and labor involved in late rent collection, eviction filings, mail costs.
- 3) Agent will provide a statement that summarizes the entire year along with the 1099 form to Owner.

- 4) Agent shall do everything reasonably necessary for the property management of the property including periodic inspections and the supervision of maintenance and arranging for such improvements and repairs as may be required by Owner on Owner's behalf. In the case of an emergency which requires immediate repairs, if Owner is not readily available for consultation, Agent shall use his or her own discretion. Agent does not add any costs or fees onto repairs and Owner pays exactly what the outside vendor charges.
- 5) Agent shall have the complete discretion and authority and exclusive right to negotiate and enter into leases with existing and prospective tenants. If Owner prefers, Agent will go over the qualifications of new tenants with the Owner prior to leasing and get Owner's approval.
- 6) Agent shall have the authority to hire, supervise and terminate on behalf of Owner, all independent contractors reasonably required in the operation of said property. It is agreed that all such contractors are contractors of Owner and not said Agent.

INSURANCE:

It is the Owner's responsibility to have coverage and to maintain property insurance against any and all perils on the subject property.

Owner shall indemnify and save the Agent harmless from any and all costs, expenses, attorney's fees, suits, liabilities and damages from or connected with the lawful management of the property by Agent. Also from the lawful performance or reasonable exercise of any of the duties, obligations or authorities herein or hereafter granted to Agent.

Owner agrees to indemnify and hold the Agent harmless from any claims, debts, demands, suits, costs or charges, including necessary attorney's fees in connection with or arising from the lawful

management of herein described property and from any liability or injury suffered on or about the premises by any person whomsoever.

Owner agrees to carry liability insurance in limits of not less than \$500,000. Owner shall furnish a certificate annually that such coverage is in full force and effect at all times.

Owner agrees that at all times during the continuance of this Agreement, all bodily injury, property damage and personal injury insurance and any other coverage carried by Owner on the property shall, by the appropriate endorsement, be extended to insure and indemnify Agent as well as Owner as follows: FORTUNE REAL PROPERTY MANAGEMENT SERVICES, INC. This means that Agent shall be added to the insurance policies for liability purposes as an additional insured.

OWNER'S RESPONSIBILITIES:

In consideration of the property management services to be rendered by Agent under this Agreement, Owner agrees:

- 1) To reimburse Agent, upon demand, or from rent collected, to the full extent of all monies advanced by Agent for Owner's account in carrying out the purpose of this Agreement. It is understood that Agent is not obligated to make any such advance monies for repairs on Owner's behalf.
- 2) Owner agrees that Owner is solely responsible for making all mortgage, property tax and insurance payments as well as HOA payments regarding the subject property on a timely basis. Agent assumes absolutely no responsibility for same.

COMPENSATION AND OTHER PROVISIONS:

- 1) Owner agrees to pay Agent a management fee of ____% of collected rent. This includes charging a management fee while property is vacant only during those instances when the tenant's security deposit, being held by Owner, is charged any unpaid rent out of that deposit. Agent does not charge a fee for the leasing of a property or for any lease renewals if the property is leased by an employee of Agent. If the property is leased by a Realtor from another agency, the referral fee will be charged to the Owner. The typical fee is 25% of one month's rent but sometimes is increased to 50% if a slow market.
- 2) In the event that disbursements are in excess of rents collected by Agent, the Owner agrees to pay all such excess to the Agent immediately upon demand by Agent.
- 3) It is agreed between Owner and Agent that any unpaid balances owing under this agreement shall be the subject of a valid Mechanic's Lien to be recorded upon the subject property if debt collection proves to be unsuccessful.
- 4) Agent shall not be liable for any willful neglect or abuse to the Owner's property by tenants, vandals or others.
- 5) It is understood between Owner and Agent that the Owner shall remain an active participant in the management of the property. Owner has the right to be involved in all decisions regarding the management, rental and maintenance of the property.

TERMS OF AGREEMENT:

This Agreement is for a month to month period commencing on _____ . Either party may terminate this Agreement upon a written 30 day notice to other party via mail or email.

AGENT

Fortune Real Property
Mgmt. Serv. Inc.

OWNERS

X _____
X _____

By: _____
President

2840 W. Southlake Blvd. #110
Southlake, Tx. 76092

Email: office@fortunerealproperty.com

ADDRESS

PH: _____

EMAIL: _____

EMAIL: _____

SS# _____