



3777 26th Ave N
St. Petersburg, FL 33713
727-323-4400
RussellPG.com

RESIDENTIAL PROPERTY MANAGEMENT AGREEMENT

THIS EXCLUSIVE RESIDENTIAL PROPERTY MANAGEMENT AGREEMENT (the "Agreement") is entered into this _____ day of _____, 20____ between Russell Property Management ("BROKER"), whose office address is 3777 26th Ave N, St. Petersburg, FL 33713 and _____ ("OWNER"), whose mailing address is _____. OWNER and BROKER are collectively referred to as the "Parties" and each a "Party."

For and in consideration of the mutual promises contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

EXCLUSIVE RIGHT TO LEASE AND MANAGE: OWNER hereby employs BROKER exclusively, giving BROKER the exclusive right to Lease and Manage under the terms and conditions as hereinafter set forth for OWNER's Property described as:

Address: _____
City: _____ Florida _____ (the "Property").

It is understood and agreed that BROKER is the sole procuring cause of any lease, written or oral, or any contract for sale and purchase that may be negotiated during this Agreement, even if OWNERS themselves may have negotiated the lease or contract, either directly or indirectly.

TERM: This Agreement shall be for an initial period of not less than one (1) year. Thereafter, the Agreement will automatically renew for successive one (1)-year terms on each Anniversary Date unless either Party notifies the other at least sixty (60) days prior to the current term of its intent not to renew this Agreement.

Unless otherwise agreed to by BROKER and OWNER, OWNER shall have the right to terminate this Agreement upon 60 days' prior written notice to BROKER. If OWNER cancels this Agreement before the first tenant is found for the Property, OWNER will owe BROKER a termination fee of \$300.00. If OWNER cancels this Agreement while the Property is leased, OWNER shall pay BROKER the balance of the fees due for Management Services for the remainder of the current lease term. If OWNER opts to cancel this Agreement with less than (60) sixty days' notice, OWNER will pay an early termination fee of \$1,000.00 plus all amounts due pursuant to this Agreement, including and all of BROKER's unreimbursed costs and expenses, including all third-party vendors and attorneys' fees, if any.

BROKER has the right to terminate the Agreement immediately upon notice in the event OWNER makes any material misrepresentation as to the Property or OWNER's obligations hereunder or if, in the reasonable opinion of BROKER or BROKER's legal counsel, OWNER's conduct violates the terms of this Agreement, Chapter 83, Florida Statutes, or any other state or federal law, is illegal or improper, may

jeopardize the safety or welfare of any tenants or other persons, and/or interferes with this Agreement. BROKER shall also have the right to immediately terminate this Agreement if Owner has breached this Agreement by failing to comply with Owner's obligations under this Agreement, including, but not limited to, OWNER's financial obligations, provided that BROKER shall provide OWNER with at least thirty (30) days' notice and an opportunity to cure such breach prior to such termination.

Should OWNER be served with a complaint for foreclosure or other legal action which may affect OWNER's ownership of the Property, OWNER agrees to immediately notify BROKER of such action. Upon such notification, BROKER shall have the right, but not the obligation, to terminate this Agreement. Should BROKER be served with legal process regarding the Property, BROKER will promptly notify OWNER. Should BROKER retain legal counsel to defend such action or be required to intervene in OWNER's foreclosure action in order to protect its rights hereunder, the costs associated with such legal action shall be OWNER's responsibility and OWNER hereby consents to BROKER deducting such amounts from any payments due to OWNER.

The Parties agree all fees for management services (including, but not limited to, third party expenses due for maintenance and repair of the Property), leasing, renewal, and sales commission, if applicable, will be due to BROKER at time this Agreement is terminated, and BROKER shall have the right to place OWNER's trust account on hold pending receipt of payment in full for all amounts due and owing.

OWNER'S REPRESENTATIONS & WARRANTIES: OWNER hereby represents and warrants that:

- A. OWNER has the legal authority and capacity to lease the Property as a legal rental unit, and that the rental of the Property will not violate any laws, ordinances, association covenants, restrictions, bylaws, or rules applicable to the Property.
- B. It is the sole OWNER of the Property, holds fee simple title to the Property and is fully authorized to enter into this Agreement.
- C. OWNER represents that the Property is in good and habitable condition. OWNER is aware of no defects in the Property and represents that all heating, cooling, plumbing, electrical systems, and appliances in the Property are in good working condition. OWNER warrants that represents that the roof is watertight and there are no leaks in the Property.
- D. OWNER has full right, power and authority to engage and appoint BROKER as OWNER's agent as set forth in this Agreement.
- E. Each mortgage and security instrument encumbering the Property is current and in good standing. OWNER is not in default under any obligation secured by the Property.
- F. Owner hereby affirms that all bills and financial obligations for the Property (collectively the "Property Expenses") are paid, current and not in any state of delinquency. Property Expenses include, but are not limited to, mortgage payments (including escrow obligations), taxes and assessments, utilities condominium and/or homeowner's association expenses (including all dues, fees, assessments, mandatory minimums, and other charges), homeowner's insurance, liability insurance, taxes, repair, maintenance and service expenses and any other charges relating to the Property.
- G. OWNER warrants that throughout the term of this Agreement and all renewals hereof, OWNER shall timely pay all Property Expenses for the Property.
- H. The Property is not currently subject to any legal action of any nature (including, but not limited to, foreclosure, quiet title, condemnation or governmental taking or code violation), contract of sale, option to purchase, contract for deed, or any other contractual obligation which would conflict with, preclude, or prohibit BROKER from discharging its duties described herein.

- I. OWNER has no knowledge of any environmental hazards on, about or related to Property. OWNER expressly agrees that should any environmental hazard arise at any time at the Property, OWNER shall take full responsibility of any cost in removing such hazards and shall be solely responsible for such costs.
- J. Because it is not practical to place all of BROKER's policies and methods of leasing and management within the body of this Agreement, BROKER has provided owner with its Property Owner Handbook (the "Handbook"). OWNER hereby acknowledges that it has received, read and understands the Handbook and agrees to BROKER's methods and policies as outlined therein. BROKER reserves the right to change, modify, expand, or revise the Handbook, at any time and without notice. For the most up to date version of the Handbook, OWNER agrees to contact BROKER and refer to the online copy at RussellPG.com. A copy of the Customary Procedures for Property Management and Leasing is attached hereto and incorporated as part of this Agreement.

MANAGEMENT COMPENSATION: In consideration of the services to be rendered by BROKER pursuant to this Agreement, OWNER agrees to pay BROKER as follows:

- A. **FOR MANAGEMENT SERVICES:** Twelve percent (12%) of gross rentals or \$100.00, whichever is greater, with payment due monthly on the first of the month through the term of the lease(s) for the Property. The full monthly fee shall be assessed during any month that a tenant remains in full or partial occupancy, whether or not the tenant pays the rent due. For any vacant period, other than initial vacancy at listing, a vacancy fee of \$75.00 per month will be charged as a management fee. Note that Owners with more than four (4) properties in one portfolio with BROKER will pay 10% management fee for each property within the portfolio. If the monthly rental amount is more than \$2000.00 for the Property, the management fee shall be reduced to ten percent (10%).
- B. **ACCOUNT ACTIVATION:** OWNER shall pay BROKER a non-refundable transaction fee of \$250.00 upon signing this Agreement to cover photos for advertising, document storage, administrative, postage and other costs of BROKER for the initial marketing of the Property.
- C. **FOR LEASING:** One month's rent for an 8–12-month lease or 8.4% of the gross income for all other durations, which amount shall be paid by OWNER to BROKER at lease inception. BROKER shall lease the Property each time a vacancy occurs, unless otherwise directed by OWNER in writing. For each lease, there is an attorney lease preparation fee of \$50.00 which is OWNER's responsibility. OWNER acknowledges that (1) BROKER does not and cannot guarantee any tenant's performance under the lease; and (2) a breach or failure to perform by tenant shall not entitle OWNER to a refund of any of the fees paid or due to BROKER.
- D. **LEASE RENEWALS:** Upon a renewal, BROKER shall receive 50% of one month's rent for 8–12-month extension or 4.2% of gross income under the lease for all other durations. Payments are due to BROKER at the time of lease renewal. Any extension of the tenant's occupancy shall be deemed a renewal of the previous rental term for the purpose of renewal compensation. Unless otherwise directed by OWNER in writing in advance, BROKER may, at BROKER's discretion, renew or terminate existing tenants.
- E. **ANNUAL PROPERTY CONDITION REVIEW:** OWNER shall pay BROKER \$75.00 for an annual Property condition review report, which includes photographs of the Property, a written summary from the Property manager and recommendations to preserve value.
- F. **REPAIRS & PROPERTY MAINTENANCE:** OWNER will pay BROKER a 10% oversight fee based on the cost of maintenance and repairs to the Property. Such fee shall include repairs needed to return the Property to "rent ready" condition after a tenant moves out or damages the Property or for

any insurable repairs due to fire, natural or other causes. Such oversight fee shall be included in the damages claimed by OWNER as part of OWNER's insurance claim if any

- G. FOR SALE: If a tenant who occupies the Property during the term of this Agreement or anyone acting on a tenant's behalf enters into a contract to purchase the Property, then BROKER shall be considered the procuring cause of such sale and shall be paid a commission of six percent (6%) of the gross sales price for the Property upon the closing of the transaction. This provision for sales commission shall survive any termination of this Agreement.
- H. HOLD DEPOSITS: In the event that a prospective tenant places a deposit with BROKER and Tenant fails to execute a lease or to take possession of the Property, said deposit or any portion thereof, if retained, shall be disbursed 50% to BROKER and 50% to OWNER, provided that the amount to be paid to BROKER shall not exceed the amount that BROKER would have received as its lease commission.
- I. MORTGAGE FORECLOSURE: If a foreclosure suit is brought against OWNER for the Property, then OWNER expressly authorizes BROKER to (1) deduct all fees due to BROKER pursuant to this Agreement for the remaining term of the current lease (such amounts shall be accelerated) from any funds held or received by BROKER on OWNER's account; and (2) freeze all OWNER's funds on account for the express purpose of negotiating and settling any claim the rental tenants may have as a result of the Property going into foreclosure and the early termination of the tenancy.
- J. DEFAULT: In the event OWNER breaches this Agreement for any reason, BROKER may accelerate all fees due through the balance of the Agreement. OWNER hereby assigns to BROKER all rents on the subject Property as security for the obligations described herein.

MANAGEMENT AUTHORITY: OWNER agrees that for the purposes set forth in this Agreement, BROKER is OWNER's agent and expressly grants to BROKER the following authority regarding the Property:

- A. To manage and control the Property with the authority to collect all rent and other monies and securities from tenant and issue receipts therefor.
- B. To prepare and negotiate new leases and renewals and terminations of existing leases as deemed appropriate by BROKER. BROKER is authorized, for and on behalf of OWNER, to execute leases and lease renewals.
- C. To negotiate and contract in OWNER's name for any and all repair services deemed necessary by OWNER and/or BROKER, and to pay BROKER's maintenance division or independent vendors, repair companies and contractors for these services. OWNER shall be responsible for and shall promptly reimburse or pay in advance as requested by BROKER, all third party expenses (vendors and repair) incurred or to be incurred by BROKER pursuant to this Agreement. Except as to emergency repairs, BROKER shall obtain OWNER's prior approval for each improvement or repair item that exceeds \$350.00. Such approval may be obtained verbally. OWNER shall provide or bear cost of providing all keys to the Property.
- D. To advertise the Property when vacant with additional advertising, if needed, paid by OWNER. OWNER shall have the right to limit advertising expenditures at any time upon written request.
- E. To serve legal notices upon the tenant, to prosecute legal actions against the tenant (including, but not limited to, actions for eviction, recovery of rents and damages and termination of tenancy), to retain legal counsel for all such actions and to compromise and settle claims against the tenant. OWNER further authorizes BROKER to employ collection agencies to assist in the collection of any outstanding debt due from Tenant and to negotiate the fee for such services. Suit against the tenant may be brought in the name of OWNER or in the name of BROKER. OWNER shall be responsible for the legal fees incurred in such actions. Any attorney retained pursuant to this paragraph shall be deemed to be the attorney of BROKER and OWNER. OWNER

expressly acknowledges that BROKER may use said attorney as BROKER's attorney in any dispute between OWNER and BROKER arising out of or related to this Agreement and acknowledges that no conflict exists with regard to such representation. OWNER acknowledges and agrees that any communication between OWNER and the attorney is not an attorney/client communication in any action between OWNER and BROKER.

- F. To collect as additional management fees, late fees, accrued interest, lease discounts (for early payment of rents), nonnegotiable check fees, application fees, collection fees, vendor discounts (for early payment to repair/maintenance vendors) and administrative fees paid by tenant to BROKER and that these fees are the Property of BROKER to offset the Agent's expenses in enforcing the respective lease provisions.
- G. To apply funds received from the tenant as follows (provided such application is consistent with the lease): late fees; legal fees and costs; NSF fees; lease discount(s), if applicable; and lastly to rent. If the tenant does not pay all fees due and owing, BROKER may deduct these fees from the tenant's security deposit and/or last month's rent.
- H. To retain the interest received on BROKER's trust account, if any. Such interest shall be used to assist in offsetting the expenses of maintaining the trust account. OWNER agrees that BROKER may require releases from all parties in the event of a controversy before disbursing trust funds.
- I. To pay any homeowner association or condo association dues and deduct these dues from the income to be paid to OWNER.

OWNER acknowledges that as its agent, BROKER's liability shall be limited to BROKER's gross negligence and intentional misconduct.

MANAGEMENT RESPONSIBILITIES: BROKER shall:

- A. Use diligence in the management of the Property throughout the term of this Agreement (including all renewals hereof) and agrees to furnish the services of Russell Property Management, for the leasing, operating and management of the Property. BROKER does not guarantee the payment of rentals by the tenant, but will make every reasonable effort to collect it when and as they become due.
- B. OWNER will be asked to maintain \$300.00 in OWNER's operating account held by BROKER for all repairs and recurring expenses, but BROKER is not limited to such an amount when ordering emergency repairs to the property only limit is for repairs are of a non-essential or decorative nature. OWNER agrees to pay any balance due to BROKER within 15 days of receipt of a statement of account. If a repair is an emergency (water leaking, flood, septic back up, no running water, no hot water, electrical hazard, refrigerator failure, air conditioner or heat failure or some other condition which threatens the safety or health of your tenant), BROKER will order repair immediately to protect property and the tenant's rights. BROKER will order appliance repairs, AC/ Heat repairs, emergency water restoration service at time of leak or flood and other routine maintenance services in the name of OWNER and indebted OWNER for painting, carpet and other needed repairs as OWNER's agent. BROKER will notify OWNER to make an insurance claims for emergency water restoration work. OWNER will maintain all heating, cooling, plumbing, electrical systems, and all appliances in good working condition and OWNER shall be responsible for the maintenance or replacement of same. OWNER must maintain or replace the roof so that it is watertight and water does not enter living areas either from rain or subterranean sources. OWNER is presumed to have turned over to BROKER a Property that is in good habitable condition and in compliance with all applicable laws, ordinances and regulations of all governmental authorities.

- C. Collected for OWNER, less any amounts due pursuant to this Agreement, into a trust account separate from BROKER's operating account maintained on behalf of OWNER. BROKER shall not be held liable in the event of bankruptcy or failure of a depository and shall not be liable for NSF checks written by tenant or money not collected. OWNER understands and agrees that rental disbursements will not be made until tenant funds have cleared BROKER's bank.
- D. Provide authorized individuals to inspect the Property as deemed necessary by BROKER and conduct security deposit evaluations at the expiration of a tenancy.
- E. Render monthly statements of receipt, expenses and charges and remit to OWNER receipts less the amounts due pursuant to this Agreement. In the event the monthly receipts collected on OWNER's behalf are insufficient to pay the amounts then due pursuant to this Agreement, OWNER hereby agrees to promptly pay such shortfall upon demand of BROKER. If BROKER determines in the reasonable exercise of BROKER's judgment that it may be necessary or proper to reserve or withhold OWNER's funds to meet obligations for the Property or this Agreement which are or may become due (including, but not limited to, BROKER's compensation), OWNER hereby authorizes BROKER to withhold such funds and to apply them as such obligations become due.

BROKER assumes no responsibility for other services other than those set forth in this Agreement or otherwise specifically agreed to in writing. BROKER reserves the right to charge an hourly fee for additional or special services performed on OWNER's account which are not contained in this Agreement.

AGENCY AUTHORIZATION: OWNER hereby constitutes and appoints Russell Property Group, LLC d/b/a Russell Property Management and specifically its broker, Toni W. Russell, as its agent with full power and authority to do and perform all and every act and thing necessary for the specific purpose of eviction and/or collection of unpaid rents for the Property as fully as OWNER might or could do if personally represented with full power of substitution and revocation, and OWNER hereby ratifies and confirms all that said Russell Property Management and its agents substitute shall lawfully do or cause to be done by virtue hereof. OWNER hereby grants BROKER the right to enter the Property at any time BROKER reasonably determines necessary.

HOLD HARMLESS AND INDEMNIFICATION; INSURANCE: OWNER further agrees to indemnify and hold harmless BROKER, its members, officers, agents, employees, representatives and independent contractors (collectively the "Indemnified Parties") from all damages, suits or claims in connection with the management of the Property except in the case of gross negligence, intentional misconduct or illegal actions by BROKER. OWNER agrees to indemnify and hold harmless the Indemnified Parties from all liability for injuries to person or property suffered or sustained by any person whomsoever, and to carry, at OWNER's sole expense, homeowners insurance with liability coverage in sufficient amounts to protect the interest of the Parties hereto, which policies shall name BROKER as an additional insured. Throughout the term of this Agreement, OWNER shall maintain liability insurance of not less than \$100,000/\$300,000 per occurrence and BROKER shall be designated on said policy as an additional insured. OWNER agrees to indemnify BROKER for any damages, including legal fees and costs, suffered as a result of OWNER's to maintain insurance coverage. OWNER further agrees to indemnify BROKER in the event of any material misrepresentation by OWNER and to hold BROKER harmless as to any and all actions by the tenant(s), including, but not limited to, the tenant's breach of the lease, damages to the Property and any losses related thereto.

ATTORNEY FEES: OWNER and BROKER do hereby agree that in the event on any legal action which arises out of or relates this Agreement, the prevailing party shall be entitled to recover or receive an award for its reasonable legal fees and costs, including paralegal fees and all attorneys' fees incurred on appeal. In the event BROKER successfully defends any action, including, but not limited to, actions before the Board of Realtors, the Better Business Bureau, any administrative or state agency or court of law, which action arises out of this Agreement or BROKER's performance of its duties pursuant to this Agreement, which action is brought by others, OWNER shall promptly reimburse BROKER for its attorneys' fees and costs in the defense of such action.

NOTICES: Except as otherwise specified herein, any notice required by this Agreement shall be in writing and shall be deemed to have been given: (i) when received if given in person; (ii) on the date of receipt if sent by overnight courier (with delivery confirmation) or by email; or (iii) five days after being deposited in the U.S. mail, certified mail, return receipt requested, postage prepaid. Should a Party refuse delivery of a notice, such notice shall be deemed delivered as of the date of attempted delivery. Notices shall be served at the following addresses or to such other address(es) as are changed with notice as required by this paragraph.

TO OWNER:

Name: _____

Address: _____

Telephone: _____ Email: _____

TO BROKER:

RUSSELL PROPERTY MANAGEMENT

P.O. BOX 1484

ST. PETERSBURG FL 33731

Email: spencer@russellpg.com; toni@russellpg.com

(727) 323-4400

RENT: BROKER will use its best efforts to lease or rent the Property at a monthly rental of \$_____. BROKER is given the right to rent as low as \$_____ per month. BROKER will present all other offers for OWNER's consideration.

MISCELLANEOUS:

- A. The Parties agree that this Agreement shall be binding upon their representatives, successors, and assigns. By their signatures below, each individual signor warrants and represents as to that prior to executing this Agreement: (i) he/she has had an opportunity to consult with legal counsel as to the meaning and implications of this Agreement; and (ii) he/she has completely read this Agreement and understands the terms and conditions set forth herein.
- B. A Party's waiver of a default under this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement or an agreement to alter any of terms hereunder. A waiver, amendment, or modification of this Agreement will be valid and effective only if it is in writing and signed by each party to be charged with a waiver, amendment, or modification. If

Initials _____

any provision of this Agreement is held invalid, the invalidity will not affect other provisions or applications of this Agreement or any attachment.

- C. This Agreement shall bind the Parties' respective representatives, successors and assigns. The Parties shall execute and deliver any such other and further documents as may be reasonably necessary to carry out the intentions of the Parties with respect to this Agreement. This Agreement represents the full and complete agreement of the Parties hereto relative to the matters addressed herein and may not be modified or altered except by an instrument in writing signed by all Parties hereto. This Agreement is intended to be a valid and binding agreement under the laws of the State of Florida, effective upon its execution despite the need for any further documentation.
- D. Headings are for convenience of reference only and do not affect the interpretation hereof. References in this Agreement to any gender shall include the masculine, feminine and neuter genders as appropriate.

WAIVER OF JURY TRIAL: OWNER AND BROKER HEREBY KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY WAIVE THE RIGHT EITHER MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER, OR IN CONNECTION WITH THIS AGREEMENT AND ANY AGREEMENT CONTEMPLATED TO BE EXECUTED IN CONJUNCTION HERewith, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN), OR ACTIONS OF EITHER PARTY. THIS PROVISION IS A MATERIAL INDUCEMENT FOR BROKER TO ENTER INTO THIS AGREEMENT WITH OWNER.

ACCEPTED AND AGREED TO BY:

OWNER:

BROKER:

RUSSELL PROPERTY MANAGEMENT

Print name: _____

Print Name: _____

Title: _____

Print name: _____

Tax ID No. _____