

PROPERTY MANAGEMENT AGREEMENT

Residential Property

THIS PROPERTY MANAGEMENT AGREEMENT, entered into this ___ day of _____ by _____ (Owner) and Burgess Management Group, Inc ("Agent").

IN CONSIDERATION of the mutual covenants and promises each to the other made herein, the Owner does hereby contract with the Agent exclusively, and the Agent does hereby contract with the Owner, to rent, lease, operate and manage the property more particularly described below and any other property the Owner may assign to Agent from time to time (the "Property") upon the following terms and conditions:

1. **The Property:** Located in the City of Greensboro
County of Guilford state of North Carolina, being known and more particularly described as:

- Street Address: _____
- Apartment, Townhouse or Condominium Complex(es):
- Other description: (Room, portion of the above address, etc.):

2. **Duration of Agency:** This Agreement and the agency and employment created shall commence and become effective on ___ / ___ / ___ and shall continue thereafter until terminated as provided herein.

3. **Termination of Agency:** Either the Owner or the Agent may terminate the agency and employment created hereby by giving written notice of his intention to do so thirty (30) days prior to the desired termination date. In the event the Owner terminates within One hundred eighty (180) days of the commencement, Owner shall pay to the Agent a termination fee of \$200 per unit.

No termination fee shall be required of the Owner for termination after the expiration of the number of days above specified and the Agent shall not be entitled to any percentage of any subsequently accruing rentals upon termination. Upon any termination of the Agreement by either the Owner or the Agent, each shall take such steps as are necessary to settle all accounts between them including the following: (1) the Agent shall promptly render to the Owner all rents then on hand after having deducted there from any Agent's fees then due and amounts sufficient to cover all other outstanding expenditures of the Agent incurred in connection with operating the Property; (2) the Agent shall render to the Owner records showing all tenants who paid security deposits under leases affecting the Property; (3) the Agent shall deliver to the Owner copies of all tenant's leases and other instruments entered into on behalf of the Owner (Agent may retain copies of such leases and agreements for Agent's records); (4) the Agent shall transfer to the Owner any security deposits held by Agent; (5) the Owner shall promptly pay to Agent any fees or amounts due the Agent under the Agreement and shall reimburse the Agent for any expenditures made and outstanding at the time of termination; and (6) the Owner shall notice all current tenants of the termination of the agency status and transfer of such security deposits, if applicable.

The \$200 per unit is collected at the time of agreement. The owner's account is expected to maintain a minimum reserve of \$200 per unit/house at all times. This amount may be more and a portion of your proceeds can be added to your account as needed to budget for future projects/renovations as instructed by the owner(s).

4. **Agent's Fee:** The Owner shall pay to the Agent each month during the existence of this Agreement the following: Ten (10%) percent of the monthly gross rentals including late fees, returned check fees, excluding any reimbursements for repairs or other operating cost. (\$75 monthly minimum).

The amounts due the Agent pursuant to this paragraph shall herein be referred to as the Agent's Fee and the Agent may deduct the Agent's Fee monthly from the gross receipts and collections received before remitting the balance of the receipts and collections to the Owner. *Note:* No fees may be deducted from the tenant security deposit until the termination of the tenancy. Thereafter, any fees due the Agent from the Owner may be deducted from any portion of the security deposit due to the Owner.

5. **Agent's Authority:** The owner hereby authorizes and empowers the Agent to perform such acts and take such steps as are necessary, in the Agent's opinion, to operate, manage and lease the Property to the Owners advantage including, but not limited to:

Owner Initial Where Applicable:

_____ Advertising the Property, displaying signs thereon, and renting the Property, including the authority to negotiate, execute, extend and renew leases in the Owner's name for terms not in excess of (1) One year(s) or (12) Twelve month(s);

_____ Instituting and prosecuting such judicial actions and proceedings as may be necessary to recover rents and other sums due the Owner from the tenants or to evict tenants and retain possession, including the authority, in the Agent's discretion, to settle, compromise and release any and all such judicial actions and proceedings;

_____ Collecting all rentals and other charges and amounts due or to become due under all leases covering the Property and giving receipts for the amounts so collected;

_____ Making or causing to be made any repairs which, in the agent's opinion, may be necessary to preserve, maintain and protect the Property; to maintain the facilities and services to the tenants as required by their tenancies; and to comply with any duties or obligations imposed upon the Owner by any local, state or federal law or regulation; including the authority to purchase such supplies and hire such labor as may be necessary in the Agent's opinion to accomplish such repairs;

_____ Performing any duties and exercising any rights conferred upon the Owner as Landlord under any leases entered into in connection with the Property; and _____.

_____ When Burgess Management Group, Inc. produces a tenant for my property, that signs a lease, I agree to pay BMG a leasing commission of ½ a full months rent.

_____ In the event that Burgess Management Group, Inc. produces a buyer for my property that ends in a sale, I agree to pay them a three (3%) commission.

6. Agent Covenants: During the duration of this Agreement the Agent agrees:

- (a) To manage and operate the Property to the best of Agent's ability, devoting thereto such time and attention as may be necessary.
- (b) To furnish the services of Agent's organization for renting, leasing operating and or managing the Property;
- (c) To solicit tenants and investigate all prospective tenants and to use Agents best efforts to secure and maintain tenants;
- (d) TO OFFER THE PROPERTY TO THE PUBLIC FOR LEASING IN COMPLIANCE WITH ALL STATE AND FEDERAL HOUSING LAWS, INCLUDING BUT NOT LIMITED TO, ANY FEDERAL AND STATE LAWS AND REGULATIONS PROHIBITING DISCRIMINATION ON THE BASIS OF RACE, COLOR, RELIGION, SEX, NATIONAL ORIGIN, HANDICAP OR FAMILIAL STATUS.
- (e) To collect all monthly rentals and other charges due the Owner from the Property and to make or cause to be made such repairs as he deems appropriate in order to preserve and maintain the Property and to comply with all lease requirements and obligations imposed upon the Owner by North Carolina law (N.C.G.S.§42-42);
- (f) To answer Tenant requests and complaints and to perform the duties imposed upon the Owner by law or pursuant to the tenant leases covering the Property;
- (g) To render monthly statements of receipts, collections, expenses, charges and disbursements to the Owner and to remit monthly to the Owner the balance of such receipts and collections (unless some other period is agreed upon),
- (h) To furnish the Owner with copies of all tenant leases unless this block is checked and initialed by the Owner [] _____, in which event the Owner waives the right to receive copies of tenant leases unless Owner specifically request such copies from the Agent; and
- (i) Furnish monthly statements by the tenth (10) of the month following
- (j) **NOT TO SPEND OVER \$ 200.00 ON ANY SINGLE REPAIR WITHOUT OWNERS PRIOR VERBAL OR E-MAIL APPROVAL**

7. Owner's Covenants: During the duration of this Agreement the Owner agrees:

- (a) To advance to the Agent such sums as may be necessary to cover the costs of repairing the Property and maintaining it in a safe, fit and habitable condition as required by North Carolina law (N.C.G.S. § 4242);
- (b) To reimburse the Agent for any expense actually incurred by him in operating, managing and maintaining the Property, including, but not limited to, advertising expenses, general operating expenses, court costs, attorney's fees and maintenance and supply expenses;
- (c) NOT TO TAKE ANY ACTION OR ADOPT ANY POLICY THE EFFECT OF WHICH WOULD BE TO PREVENT THE AGENT FROM OFFERING THE PROPERTY FOR RENTAL IN COMPLIANCE WITH ALL APPLICABLE FEDERAL AND STATE LAWS AND REGULATIONS, INCLUDING, BUT NOT LIMITED TO, THOSE LAWS AND REGULATIONS PROHIBITING DISCRIMINATION ON THE BASIS OF RACE, COLOR, RELIGION, SEX, NATIONAL ORIGIN, HANDICAP OR FAMILIAL STATUS IN THE LEASING OF THE PROPERTY
- (d) To carry, at his expense, comprehensive general public liability insurance against any and all claims or demands whatever arising out of or in any way connected with, the operation, leasing and maintenance of the Property, which policies shall be written so as to *protect the Agent in the same manner as the Owner and which shall be in the minimum amounts of \$300,000.00 for each injury or death of one person in each accident or occurrence, \$300,000.00 for injuries to or death of more than one person in each accident or occurrence, and \$200,000.00 for property damage in each accident or occurrence;

****Insurance declaration page must be provided showing Burgess Management Group, Inc. as an additional insured.***

**Addendum to Burgess Management Group, Inc. Property Management Agreement
UTILITIES2015**

I hereby authorize Burgess Management Group, Inc. to act on my behalf with regards to all of the utilities for my rental properties.

Sincerely,

Property Owner – Date

SS# _____

DOB ____/____/____