

JEANNE WALTERS REAL ESTATE PROPERTY MANAGEMENT AGREEMENT

THIS PROPERTY MANAGEMENT AGREEMENT is made on the ____ day of _____ 20____ and is effective on the _____ day of _____ 20__ by and between _____, whose address is _____, hereinafter referred to as "Owner" and JEANNE WALTERS REAL ESTATE 107 E 6th Street, Bloomington, Indiana 47408, hereinafter referred to as "Agent". WITNESSETH in consideration of the mutual promises and covenants herein contained, the Owner and Agent agree as follows:

ARTICLE I

1. The Owner represents to the Agent as follows:

(a) The Owner is the sole owner and holder of marketable record title to the following described property, hereinafter referred to as the "Premises" and known and described as _____

_____.

(b) The premises shall also include the following personal property and appliances:

_____.

(c) _____ The Premises are not subject to a mortgage.
_____ The Premises are subject to a mortgage. All payments and other terms of the mortgage are current and Owner is not in default under any of the provisions of the mortgage.

(d) _____ Owner shall carry current insurance policy for properties listed above. Owner shall determine what kind of insurance is necessary for the property. Owner shall provide Management Company a copy of the insurance policy within 30 days of execution of this contract, along with the contact information for the insurance provider.

(e) _____ Owner shall keep property taxes current for properties listed above.

2. The Owner hereby appoints the Agent as the sole and exclusive Agent to lease, rent and manage the Premises known and described as _____ according to the terms and conditions hereinafter set forth.

ARTICLE II

1. This Agreement shall be for an initial term of 1 year, beginning on the _____ day of _____ 20____. After the first year, this agreement shall automatically renew for successive 1 year periods unless notice is given to terminate by either party. This Agreement may be terminated by giving 90 day written notice prior to the renewal date.

Agent shall have the following responsibilities:

- (a) to extend every effort to keep the Premises rented at the present rental or at the highest rental which the Premises will produce in the rental market;
- (b) to advertise the availability of the Premises for rent, and to display "Rent" signs thereon; to schedule and conduct showings of the property to prospective tenants;
- (c) prescreen and review all prospective tenants;
- (d) to prepare, sign, renew and/or cancel leases;
- (e) to collect rents due or to become due and to give receipts;
- (f) to render a monthly statement and disbursement (if account is in a positive status) to Owner by the 10th of each month providing the following information: leasing fee and/or commission deducted, any expense incurred, and all amounts collected and disbursed. A reserve balance of \$250 per unit managed shall be held at all times in Agent's escrow account. Any amount over the reserve balance at the end of every month shall be disbursed to the Owner as directed on the 10th of the following month.

3. The Owner hereby appoints Agent as Owner's attorney in fact to do the following:

- (a) conduct all business related to the lease or lease renewal for terms of up to one year (even though the lease or renewal term shall extend beyond the term of this Agreement, and
- (b) terminate tenancies and to sign and serve in the name of the Owner such notices as are appropriate and to reinstate the lease if Agent determines that adequate remedy by the tenants was performed. It is understood that

agent shall keep all late fees, NSF fees, tenant fines, and utility processing fees as compensation to offset costs of administration/collection efforts; and

- (c) institute and prosecute actions in the courts, if necessary, to evict tenants and to recover possession of said Premises, to include filing all necessary legal documents with the courts on behalf of the owner; and
- (d) institute and prosecute actions in the courts to recover rents and other sums due and when expedient, to settle, compromise and release such actions or suits; and institute and prosecute actions in the courts to recover other sums and damages as may be due to owner, and
- (f) hire, discharge and supervise all labor and employees required for the operation and maintenance of the Premises; and
- (g) enter into contracts for electricity, gas, water, common area cleaning, trash hauling, lawn care, insect control, and other services or such of them as the Agent shall deem advisable; and
- (h) make or cause to be made such repairs and/or alterations, and/or to have services performed to the Premises as may be advisable or necessary, and to purchase such supplies as may be necessary or advisable ;
- (i) spend up to \$ 250.00 (per item) without Owner's prior consent to undertake any of the foregoing set forth in subparagraphs (f) through (h) above; and
- (j) under such circumstances as the Agent shall deem to be an emergency, the Agent is authorized at the expense of the Owner, to make or cause to be made such repairs and/or alterations to the Premises as may be advisable (i) above.
- (k) Fair Housing: the agent will practice fair housing policies, to be in compliance with Fair Housing of Indiana and the United States of America. Fair housing policies are covered in the fair housing law and its amendments. The fair housing law is an extension of the Civil Rights Act and prohibits discrimination on the basis of race, color, religion, sex and national origin, handicap (physical or mental), familial status, families with children and marital status.



4. The Owner hereby agrees to do the follow

- (a) reimburse the Agent promptly for any monies the Agent might elect to advance for the account of the Owner. Nothing contained herein, however, shall be construed to obligate the Agent to make any such advances;
- (b) pay \$50 to Agent for serving an eviction notice on tenants; + any filing fees incurred.
- (c) pay \$350 to Agent together with court costs for filing, tracking process of service, and obtaining the eviction, should further legal action be required after the serving of an eviction notice; + any attorney fees incurred.
- (d) pay \$150 to Agent together with court costs if a separate suit for recovery of other sums and damages due becomes necessary; + any attorney fees incurred.
- (e) assume the obligation of any contract entered into by Agent in accordance with Article II above.

ARTICLE III

The Owner shall indemnify and hold Agent harmless from all damage suits in connection with the management of the Premises and from liability from injury suffered by any employee or other person whomsoever, and to carry, at Owner's expense, necessary public liability insurance in such an amount as to be adequate to protect the interests of the parties hereto, which policies shall be so written as to protect the Agent in the same manner and to the same extent they protect the Owner, and will name the Agent as co-insured. The Agent also shall not be liable for any error of judgment or for any mistake of fact or law, or for anything which it may do or refrain from doing hereinafter, except in cases of willful misconduct or gross negligence.

ARTICLE IV

The Owner agrees to pay the following to the Agent:

1. Commission of 10% of the rents collected in each calendar month (which shall be deducted from rents collected each month).
2. A leasing fee of 50% of one month's rent for leasing, which shall become due when a new tenant has been secured and a signed lease has been executed.
3. A leasing fee of 35% of the first month's rent for a renewal lease, which shall become due when a signed lease has been executed.

4. A one-time fee of \$250 is required for the initial set-up.
5. A sales commission of 6% if the property is sold to a tenant procured by Agent.
6. \$50/hour, with a 1 hour minimum for any service calls, city inspections, or maintenance repairs performed by agent.
7. 10% of the total cost of any major remodeling/rehab/ disaster restoration projects (projects exceeding \$5,000) for agent supervising & arranging contractors, and assisting in planning. Owner shall approve in writing prior to major remodeling projects being done.

ARTICLE V

All rights, remedies and liabilities herein given to or imposed upon any of the parties hereto shall extend to and bind their heirs, executors, administrators, successors and assigns.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first written above.

Agent:

Owner:

Agent

Owner

Owner