

Full Circle Properties

Property Management & Real Estate Services

318 E. 7th Street Mountain Home, AR 72653

Property Management Agreement

THIS AGREEMENT is made this ____ day of _____ (month & year) between _____ herein called Owner and **Full Circle Properties** (herein called Agent) under the following terms and conditions:

1. **APPOINTMENT AND ACCEPTANCE.** The Owner hereby appoints the Agent as exclusive agent for the management of the property described under Section 2 of this Agreement, and the Agent accepts the appointment, subject to the terms and conditions set forth in this Agreement.
2. **PREMISES.** The Premises are described as follows:
Name: _____
Locations: _____

Number of Dwelling Units: _____
3. **CONSIDERATION.** This Agreement is being made in consideration of the mutual promises of the parties hereto and the services to be rendered hereunder by the Agent and the compensation herein agreed by the Owner to be paid to the Agent for such services.
4. **PROFESSIONAL MANAGEMENT STANDARDS.** The Agent agrees to furnish the services of this organization, to exert its best efforts, and to exercise the highest degree of professionalism and competence in managing the Premises, in order to provide the Owner with the maximum economic return consistent with property management.
5. **DUTIES WITH RESPECT TO LEASING AND TENANTS.** The Agent hereby accepts the following responsibility, authority, and duties as to renting and leasing the Premises:
 - A. Use best efforts to keep the Premises rented by procuring tenants for the Premises and negotiating and executing on behalf of the Owner all leases for space in the Premises, provided, however, that the Agent shall not execute any lease in excess of **1 year** without securing the prior written consent of the Owner.
 - B. The Owner agrees that the Agent shall act as the Owner's exclusive agent in managing, operating, leasing and renting the Premises. Owner agrees to hold the Agent harmless from any and all costs, expenses, attorney's fees, suits, liabilities, damages from or connected with the management of the property by Agent. Owner shall not hold agent liable for any error in judgement, or for any mistake of fact of law, or for anything which Agent may do or refrain from doing herein after, except in cases of willful misconduct or gross negligence.
 - C. To advertise the availability of rental or lease space by the full use of appropriate media of communications, such as newspapers, by the display of signs on the Premises, the use of floor plans, solicitation aids and economic surveys as are appropriate to market available rental space. All reasonable expenses of advertising shall be charged to the Owner's account as an operating expense.
 - D. To conduct such investigation of the references of prospective tenants as is necessary and reasonable to protect the Owner against financial loss and for the protection of the Premises with the cost thereof being treated as an application fee charged to the prospective tenant and will be

treated as an operating expense to be paid to Agent.

- E. To serve notices to vacate the Premises when the Agent deems such notice is necessary, to bring accounts to collection agency or an Attorney, owner is responsible for any collection fees or attorney fees. Agent shall be authorized to terminate tenant lease agreements and evict tenants due to violations of property "rules & policies".
- F. The Agent will collect, deposit and disburse security deposits in accordance with the terms of each lease, as required by the Arkansas Real Estate Commission.. All security deposits will be held in agents escrow account. If security deposit is used for last months rent, agent is entitled to management fee. All fees to include NSF check reimbursements will be deducted from security deposit, if funds are not enough to cover NSF check owner agrees to reimburse agent for balance of NSF check.
- G. To collect, when due, all rents, charges and other accounts receivable on the Owner's behalf, in connection with the management and operation of the Premises. Such receipts will be deposited in an escrow account. Agent will be allowed at least two weeks processing time once rents are collected. Owner agrees that Agent is not responsible for late fees on mortgage payments or any other payments to vendors, such payments are made when rent is collected. If no rents are collected, it is owners responsibility to ensure such payments.
- H. To rent and lease all rental space in accordance with the terms and conditions as agreed upon from time to time with the Owner. Owner agrees that no person shall be subjected to discrimination because of color, religion, sex, handicap, familial status, or national origin in the sale, rental, or advertising of dwellings, in the provision of brokerage services or in residential real estate related transactions.
- I. To prepare and sign as Owner's Agent any documents required by law, to include leases and utility transfers in and out of owner's name. In addition to the above, the Agent further agrees to prepare on behalf of the Owner, all forms and reports necessary for the operation of the Premises.
- J. To make or cause to be made and supervise repairs and alterations but only under an emergency, if in the opinion of the Agent such repairs are necessary to protect the property from damage or to maintain services to the tenants as called for by their tenancy agreement; to hire, discharge and supervise all labor and employees required for the operation and maintenance of the Premises; to make contracts for electricity, gas, fuel, water, telephone, cleaning, trash hauling, vermin extermination and other services of the kind as the Agent shall deem advisable. If owner(s) fail to provide service or repairs within a reasonable time frame, agent holds the right to cancel management contract immediately.
- K. The Agent shall maintain accurate, complete and separate records in accordance with generally accepted accounting standards and procedures, showing income and expenditures relating to the operation of the Premises, and from which accounts payable and accounts receivable, available cash, and other assets and liabilities pertaining to the Premises can be readily identified and the amounts thereof determined at anytime.
- L. To organize and maintain a system of controls designed to insure the authenticity of bills, invoices, and statements charged and paid and the Agent shall further order goods and services the list of suppliers and contractors which shall be maintained in the files of the Agent.

6. INSURANCE COVERAGES. Owner shall maintain insurance coverage on property and provide agent with a certificate of insurance showing **Full Circle Properties** as certificate

holder. In the event Agent receives notice that said insurance coverage is to be cancelled, Agent shall have the option to immediately terminate this agreement.

7. COMPENSATION FOR MANAGERIAL SERVICES. In consideration for the services to be rendered by the Agent under this Agreement, the Owner agrees to pay the Agent **(1/2) half of the first month's rent for every new tenant and Ten percent (10%)** of the gross revenues from the Premises actually collected payable to the agent on a per rental basis, providing minimum compensation is **\$50.00. If rental is a vacation property fee is 15% of proceeds.** Expenses of office overhead of the Agent, whether or not allocable to services rendered in the management of the Premises, are not to be charged to the Owner. All rebates, discounts, or commissions collected by the Agent, or credited to the Agent's use, which relate to the purchasing of supplies or the rendering of services for the Premises, shall be disclosed fully to the Owner, and that part of any rebate, discount, or commission that is allocable to the purchasing of supplies or the rendering of services for the Premises shall be credited Owner's account. This is exclusive of any repairs or services provided by Agent's employees, sub-contractors or staff.

8. TERM OF AGREEMENT. The initial term of this Agreement shall be one year and it shall automatically renew for successive one year periods, unless written notice of expiration from either party is received giving thirty (30) days advance notice after first year, unless notice is given for gross negligence by either party. Upon any termination, all records in possession of the Agent pertaining to the operation of the Premises, together with all supplies or all other items of property owned by the Owner and in the Agent's possession shall forthwith be delivered to the Owner. Agent shall retain copies of all required documents per Arkansas Real Estate Commission regulations.

9. ADDITIONAL PROVISIONS. At all times, this Agreement will inure to the benefit and constitute a binding obligation on the parties and their respective successors and assigns.

10. AGENCY REPRESENTATION DISCLOSURE.

- (X) **Landlord or Owner Representation.** A real estate agent who enters into a management agreement to manage property for a Landlord or Owner is known as the Landlord's Agent or Owner's Agent. A Landlord's or Owner's Agent represents the Landlord or Owner in the lease or rental transaction. That means that the Landlord's or Owner's Agent may assist the Tenants or Renter who is not represented in leasing or renting the property, but the Landlord's or Owner's Agent primary duty is to promote the interests of the Landlord or Owner.
- () **Both Tenant or Renter and Landlord or Owner Representation (Dual Agency).** A real estate agent who enters into an agreement to represent the Landlord or Owner and also enters into an agreement to represent the Tenant or Renter in the same transaction is known as a Dual Agent. A dual agency most frequently occurs when a real estate agent or agents within the same real estate firm represent both the tenant or renter and landlord or owner in the same transaction. Both Tenant or Renter and Landlord or Owner must have given their written consent to such a management, lease or other real estate rental contract. Both Tenant or Renter and Landlord or Owner should be aware that a possible conflict of interest may exist in this type of representation. A dual agent limits the duties listed above in the landlord or owner representation or the tenant or renter representation sections of this form in representing the landlord/owner or the tenant/renter by written agreements found in the agency, property management agreement, lease or other agency rental contracts.

This Agreement constitutes the entire agreement between the Owner and the Agent with respect to

the management and operation of the Premises and disclosures. No change will be valid unless made by supplemental written agreement, executed and approved by the parties.

This Agreement shall be construed in accordance with the laws of the **State of Arkansas**.

IN WITNESS WHEREOF, the parties hereto have affixed or caused their respective signatures on the day and date first written above.

_____	_____
Owner	Owner Address
_____	_____
Owner	Owner Phone
_____	_____
Broker	Property Manager Full Circle Properties

Lease period preferred: _____
Pets Permitted with Non refundable Pet Deposit ? _____
Smoking Permitted? _____
Rental Rate Requested: _____

**Full Circle Properties
318 E. 7th St.
Mountain Home, AR 72653
(870) 425-2840**

I, _____ hereby authorize Full Circle Properties to turn the following utilites on and off in my name as needed:

Entergy	_____
NAEC	_____
Arkansas Western Gas	_____
Mountain Home Water	_____
Northeast Water Assoc.	_____
Lakeview - Midway Water	_____
Cotter Water	_____
Gassville Water	_____
Norfolk City Water	_____

At the properties listed below:

Sincerely,

Owner

Date

SSN#

DOB

Owner billing address