

Full Circle Properties

Property Management & Real Estate Services

308 E. 7th Street Mountain Home, AR 72653

Property Management Agreement

THIS AGREEMENT is made this _____ day of _____ 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 twelve (12) month 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. 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 any legal action or proceeding to recovery possession of rented or leased Premises, to compromise and settle such lawsuits, with the approval of the Owner, to incur reasonable collection fees, costs and court costs as may be agreed from time to time with the Owner and to charge such expenses to the Owner as operating expenses of the Premises when approved, including reasonable attorney's 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 acquired.

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. **In the event of a returned check for insufficient funds or closed account, tenant shall be placed on a cash or certified funds only basis. A \$25.00 NSF fee shall be collected by management. A late fee may also apply. Processing rents may take upto two weeks from time received. Agent is not responsible for owner's late fees on mortgage 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.

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 any time. The Owner shall have the right at any reasonable time to inspect all records kept by the Agent pertaining to the Premises.

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 and Ten percent (10%) of the gross revenues from the Premises actually collected payable to the agent on a per rental basis, providing that the minimum compensation is at least \$50.00 for single wide mobile homes. If tenant buys home from owner, management is entitled to 1% of purchase price for referral.

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 credit 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 sixty (30) days advance notice. 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 endure to the benefit and constitute a binding obligation on the parties and their respective successors and assigns.

If owner chooses to sell or list property during a lease with a tenant, then owner agrees to allow tenant break the lease and secure other rental. Tenant will be entitled to security deposit refund accordingly.

10. AGENCY REPRESENTATION DISCLOSURE.

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 storm 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 Signature	Owner Address
_____	_____
Broker Signature	Owner Phone
_____	_____
Property Manager Full Circle Properties	Owner Email

Please attach a voided check for ACH deposits