

**RESIDENTIAL MANAGEMENT AGREEMENT**

This agreement is made by and between **Craig & Co. Real Estate, Inc.**, hereinafter referred to as AGENT and, \_\_\_\_\_, hereinafter referred to as OWNER to secure the services of AGENT in the management of real property known as \_\_\_\_\_ referred to as the PREMISES, for a period of \_\_\_\_\_ beginning on \_\_\_\_\_ and ending on \_\_\_\_\_, and subject to the following terms and conditions:

Unless thirty (30) days notice, in writing, shall be given PRIOR TO THE EXPIRATIONS of the period specified above, of an intention to terminate this agreement, then it is hereby agreed that this agreement will be considered as extended and binding from the termination of the period specified in all its provisions until such time as one party notifies the other, after which this agreement may be terminated on the last day of any calendar month by notice of not less than thirty (30) days given by either party.

**1. APPOINTMENT AND AUTHORITY OF AGENT**

A. Owner hereby appoints AGENT as the sole and exclusive agent to rent, lease, manage, collect and receipt for rents and operate the PREMISES. The OWNER, however, may retain the right to make all management decisions as they pertain to establishing parameters for new tenants, rental terms, and capital or repair expenditures, and must advise AGENT in writing.

B. AGENT is authorized to secure the services of other real estate brokers and conduct other marketing activities for purposes of securing a new tenant. It is agreed that the AGENT is entitled to compensation as provided herein in connection with any lease that may be negotiated during the term of this agreement, even if said lease was negotiated by the OWNER, or any other party. Additionally, AGENT shall be paid compensation at the rate as provided herein in connection with any lease which is being negotiated at the time of termination of this agreement if the applicant is introduced to the PREMISES BY AGENT.

**2. LEGAL PROCEEDINGS**

AGENT is empowered to sign and/or cancel leases on OWNER'S behalf, to enforce the provisions of same, to institute legal action or other proceeding to collect rents and other sums due, and when expedient, to settle, compromise and release such actions and suits, and to dispossess tenants, and other persons, including without limit institution of eviction proceedings in the name of and on behalf of OWNER. AGENT may select the attorney of AGENT'S choice to handle any such matters and incur court costs at owner's expense. AGENT is not responsible for defending owner against any claim brought in a proceeding or court action.

**3. SPECIFIC AUTHORITY FOR REPAIR AND ALTERATIONS**

A. Owner hereby gives AGENT the following authority and powers and agrees to pay promptly on demand all legitimate expenses in connection with the following: to purchase necessary supplies; to contract for such utility services as AGENT may deem advisable; and to make necessary repairs, OWNER authorized alterations or decorations to the PREMISES without the express written consent of OWNER, limited to **\$250.00** in addition to other authority of AGENT, AGENT may pay or incur without limitation on behalf of OWNER monthly or recurring operation charges and/or emergency repair if in the reasonable opinion of the AGENT, such repairs are necessary to protect the property from damage or maintain services to the tenants as called for in the "South Carolina Landlord Tenant Act" or Rental Agreement. AGENT is authorized on behalf of the OWNER to hire, discharge, supervise and pay any employees, servants or contractors for work performed. **All providers of services shall be deemed to be action on behalf of the OWNER and not the AGENT.** AGENT will not be liable to the OWNER or others for any act, default or negligence on the part of such persons, servants, contractors or other workmen, providing AGENT has taken reasonable care in engaging them or their employees. AGENT will not be responsible for making any repair or incur any expense in excess of funds held by AGENT in OWNERS account.

B. A Reserve Fund will be established and maintained from property proceeds in the amount of \_\_\_\_\_.

**4. AGENT'S RESPONSIBILITY**

In addition to the foregoing, the AGENT will perform the following functions on OWNER'S behalf.

A. Make reasonable efforts to collect all the rents and income due from the tenants when such amounts become due, and deposit same into and agency account maintained on behalf of the OWNER, but AGENT does not guarantee the payment of any tenant's rent; and

B. Withdraw from such account all funds needed for proper disbursements for expenses payable by the OWNER including without limitation, AGENT'S compensation; and remit balance of rent to OWNER at OWNER'S address set forth above with a written statement within thirty (30) days of rent receipts and disbursements.

C. Collect and place into escrow accounts, as required by law, security deposits under any lease. AGENT I authorized to disburse the security deposit at such times and to such persons as AGENT shall in good faith believe to be entitled to such funds in accordance with the South Carolina laws governing security deposit. Any interest earned on said deposits, shall with tenant's permission belong to AGENT.

**5. AGENT'S COMPENSATION**

In consideration of their services render by AGENT, OWNER agrees to pay AGENT the following forms of compensation:

A. FOR SET-UP / ORIGATION - A \$200.00 One Time fee.

B. FOR MANAGEMENT - A FEE EQUAL TO 10% of gross receipts collected including all sums collectible under any leases, with a minimum monthly fee of **\$50.00**.

C. FOR LEASING - a fee equal to 10% of the first month's rent for each new tenant's lease shall be paid by AGENT, in addition to the management fee set forthin paragraph 5b above, but shall not be payable in connection with renewals.

D. CHARGES TO TENANTS - AGENT, without accounting to OWNER, may collect from the Tenant all charges for Late Rent Administration Charge, Returned Check Charges, Releasing Administration Charge and Application Fees paid by tenants under any lease are the property of AGENT to offset expenses in enforcing the respective provisions unless otherwise stipulated in paragraph 16.

E. SALE TO TENANT - If sale or exchange of the PREMISES to the tenant, or anyone acting for or on behalf of a tenant or to any member of a tenant's immediate family is contracted for or effected during the term of the Management Agreement or within seven (7) months of its termination, the AGENT will be paid by the OWNER promptly and to the full extent permitted by law a fee of 3%, if the AGENT has valid South Carolina real estate license for the sale of real property in effective on the date such sale or exchange is closed.

**F. IN THE EVENT THAT THE PREMISES ARE RENTED OR LEASED THROUGH THE EFFORTS OF BROKER, AND THE LEASES TERM RUNS LONGER THAN THE TERMS OF THE AGREEMENT, BROKER SHALL CONTINUE TO BE COMPENSATED AS STATED IN PARAGRAPH 5.** In the event that this subject premises is not rented or leased within forty-five (45) days of the date of this Agreement, or remains vacant without being subject to a lease for any forty-five (45) day period, either party may terminate this agreement upon thirty (30) days written notice to the other party of such intention to terminate, provided that such written notice is delivered to the other party prior to the rental or lease of the premises through the efforts of the BROKER. Termination of this agreement by any means shall not adversely affect the rights of the tenants under the existing leases.

G. AGENT REFERRAL - AGENT at AGENT'S discretion and owners consent may refer the property back to the BROKER OR AGENT on record referring the property to CRAIG & CO. REAL ESTATE, INC., for the purpose of listing said property for sale. AGENT on record is \_\_\_\_\_

H. SUPERVISION OF RESTORATION / IMPROVEMENTS - AGENT shall be paid 10% of the cost of any and all new construction, substantial repairs and capital improvements made to PREMISES during the term of this agreement over the amount of \$2500.00 provided that AGENT receives written authorization for each specific incident. Any construction shall be scheduled, coordinated and supervised by AGENT on behalf of OWNER. No fee will be charged for routine maintenance and repairs.

I. OWNER further agrees to pay AGENT actual costs for advertising of not more than \$ \_\_\_\_\_ per \_\_\_\_\_, and for all long distance phone calls and other out-of-pocket expenses actually and reasonably incurred in connection with the said PREMISES.

**6. INDEMNIFICATION**

OWNER agrees to indemnify, defend and save the AGENT harmless from all loss, expense, damage, claim suits and costs whatsoever (including without limit attorney's fees) incurred and arising from performance or attempted performance by AGENT of its duties and powers hereunder for personal injury and/or property damage suffered by any person whomsoever on or about the PREMISES and to carry at OWNER'S expense liability insurance of at least \$300,000. to protect the interest of the parties hereto. Policies shall be so written as to protect the a AGENT in the same manner and to the same extent as they protect the OWNER, and will name AGENT as an additional insured. The AGENT also shall not be liable for any error of judgment of for the mistake of fact of law or for anything with AGENT may do or refrain from doing hereinafter, except in cases of willful misconduct or gross negligence. AGENT shall not be responsible for any damage to the PREMISES, under any circumstances, by the tenant or others.

**7. CANCELLATION**

Subject to the rights of existing tenant, this agreement may be cancelled by either party with written notice, provided, that termination shall become effective on the termination date stated in such written notice which shall not be less than forty-five (45) days after delivery or mailing of such notice. In the event of any extensions thereof.

**8. BINDING AUTHORITY**

This agreement shall be binding upon the successors and assigns of AGENT, and upon the heirs, administrators, executors, successors, and assigns of OWNER.

**9. NOTICE**

Any notice required or permitted to be given pursuant to the provisions of this agreement shall be deemed given (1) when delivered personally, or (2) on the date such notice is deposited in the United States Mail, postage prepaid, certified or registered mail, return receipt requested, and addressed as set forth at the beginning of this agreement.

**10. BINDING EFFECT**

This agreement shall be binding on, and for the benefit of the parties hereto and their respective heirs, successors, and assigns. This agreement shall be governed by, interpreted under and enforced in accord with the law of the State of South Carolina. This is the entire agreement between the parties and may not be modified except in writing signed by both parties.

**11. OWNER REPRESENTATIONS AND WARRANTIES**

- A. OWNER represents and warrants to the AGENT that, to the best of OWNER'S knowledge, the PREMISES are free of hazardous and/or toxic wastes and/or substances (as such terms are defined under applicable federal and state laws); that the PREMISES are fit for human habitation; that there are no hidden or latent defects or conditions on or affecting the PREMISES other than \_\_\_\_\_ that the PREMISES are not subject of any order to repair or to demolish or other order of any governmental authority; that the PREMISES comply with all currently applicable laws, statues and governmental rules and regulations; that the OWNER will at all time during the term of this Agreement fully and promptly comply with the lawful requirements of all applicable governmental authorities.
- B. OWNER declares that all mortgage payments have been made and account is current.
- C. OWNER warrants that there are operating smoke detectors on the premises.
- D. OWNER agrees AGENT shall not be responsible for the payment on behalf of owner for any mortgage payment, insurance, taxes, termite renewals or other service contracts.

**12. LEAD-BASED PAINT DISCLOSURE**

For a dwelling built before 1978 , and as required by applicable law, a Disclosure of Information on Lead-Based Paint Hazards (the "Disclosure") must be signed by the OWNER and attached to this agreement. OWNER represents that either

- (1) The improvements on the property were all constructed after December 31, 1977 or
- (2) The Disclosure has been fully completed and is attached to this agreement. OWNER agrees to provide AGENT with any such additional information or reports as may come to OWNER'S possession during the term of this agreement. OWNER acknowledges that AGENT has informed OWNER of the OWNER'S obligations to provide a tenant of the property with copies of available records and reports with respect to the property and lead-based paint and lead-based paint hazards, all pursuant to 42USC4582 (d) as amended.

**13. FORCE MAJEURE**

Any delays in the performance of any obligation of AGENT under this Agreement shall be excused to the extend that such delays are caused by wars, national emergencies, natural disasters, strikes, labor disputes, utility failure governmental regulations, riots, adverse weather, and other similar causes not within the control of AGENT, and any time periods required for performance shall be extended accordingly.

**14. PAYMENT FROM OWNER'S FUNDS**

AGENT shall have no duty to expend AGENT'S individual funds in fulfillment of AGENT'S responsibility under this agreement. All payments required or permitted to be made by AGENT shall be made from OWNER'S funds. OWNER agrees to deposit with AGENT promptly on demand such funds as may be necessary in AGENT'S reasonable judgment for performance shall be extended accordingly.

**15. AVAILABILITY OF TENANTS**

AGENT shall make a good faith effort to obtain tenants for the PREMISES, but AGENT makes no guarantee that tenants can be found.

**16. OTHER STIPULATIONS**

**17. SURVIVAL**

Indemnification and other provisions of this Agreement which benefit AGENT shall survive any termination of this Agreement.

IN WITNESS WHEREOF, the parties have set their hand and seals on this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_.

\_\_\_\_\_  
**Witness**

\_\_\_\_\_  
**Owner**

\_\_\_\_\_  
**Witness**

\_\_\_\_\_  
**Owner**

\_\_\_\_\_  
**Agent**

Property Management Information

Property Address [ ] City [ ] State [ ] Zip [ ] County [ ] Year Built [ ] Tax Mapy No. (TMS) [ ] Rent Amount: Desired [ ] Minimum [ ] Maximum [ ]

Showing Instructions:

[ ] [ ] [ ]

Lockbox Agreement  Yes  No

Restrictions

Please check one:

Pets  Yes  No Housing Assistance  Yes  No Roomates  Yes  No

Utility Suppliers

Electric Company [ ] Phone Number [ ] Water & Sewer [ ] Phone Number [ ] Trash Removal [ ] Phone Number [ ] Other [ ] Phone Number [ ]

Contract Providers

Table with 4 columns: Name, Address, Due Date, Account#. Rows include Termite Bond, Pest Control, Landscaping, Homeowner Assoc., Insurance Co., Policy No., Effective Dates, Contact.

Description of Property / \*\*Warranty information on property if applicable

[ ]

Owner Information

Owner's Name [ ] Address [ ] Telephone: Home [ ] Work [ ] Cell [ ] Alternate # [ ] E-mail Address [ ]

How did you hear about Craig & Co.:  Newspaper  Sign  Phone Book  Friend  Agency or Friend

Agency Name [ ] Agent Name [ ] Friend's Name [ ]

IN WITNESS WHEREOF, the parties have set their hand and seals on this \_\_\_\_ day of \_\_\_\_\_ 20\_\_

Witness

Owner

Witness

Owner