

## PROPERTY MANAGEMENT AGREEMENT

THIS AGREEMENT EFFECTIVE THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, by and between \_\_\_\_\_  
\_\_\_\_\_ HEREINAFTER REFERRED TO AS "OWNER" and FORTUNE REAL PROPERTY MANAGEMENT SERVICES, INC. a Texas Corporation, HEREINAFTER REFERRED TO AS "AGENT".

Agent is hereby designated as the exclusive agent and representative of Owner to rent, lease, operate, control, evict, and manage the following described properties:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_

### AGENT'S RESPONSIBILITIES:

It is agreed that the authorities, duties, and responsibilities of Agent in connection with the management of said property shall be as follows:

1. Agent shall supervise the collection of rents and other charges due the Owner. Agent will provide monthly statements of same. Agent shall advertise the property for lease at the Owner's expense in any manner that Agent deems appropriate. The usual advertising is \$5.00 per day for each property until leased.
2. It is understood by Owner that the Management Company retains all late fees and NSF fees paid by Tenant to help offset the extra costs and labor involved in collecting late rent.
3. Agent will provide a statement that summarizes the entire year along with the 1099 form to the owner.
4. Agent shall do everything reasonably necessary for the proper management of the property including periodic inspections, the supervision of maintenance and arranging for such improvements, alterations, and repairs as may be required by Owner on Owner's behalf. In the case of an emergency which requires immediate repairs or alterations, if Owner is not readily available for consultation, Agent shall use his/her own discretion regarding same.
5. Agent shall have the complete discretion and authority and exclusive right to negotiate and enter into leases with existing and prospective tenants. If Owner prefers, Agent will go over the qualifications of new tenants with the Owner prior to renting.
6. Agent shall have authority to hire, supervise, and terminate on behalf of Owner, all independent contractors and property employees, if any, reasonably required in the operation of said property but is agreed that all such property employees are employees of Owner and not employees of Agent.

INSURANCE:

It is Owner's responsibility to have coverage and to maintain property insurance coverage against any and all perils on the subject properties.

Owner shall indemnify and save the Agent harmless from any and all costs, expenses, attorney's fees, suits, liabilities, damages from or connected with the lawful management of the property by Agent or the lawful performance or reasonable exercise of any of the duties, obligations, powers, or authorities herein or hereafter granted to Agent.

The Owner agrees to indemnify and hold the Agent harmless from any claims, debts, demands, suits, costs, or charges, including necessary attorney's fees in connection with or arising from the management of herein described property and from any liability for injury suffered on or about the premises by any person whomsoever.

Owner agrees to carry liability insurance in limits of not less than \$300,000. Owner shall furnish a certificate annually that such coverage is in full force and effect at all times.

Owner agrees that all times during the continuance of this Agreement, all bodily injury, property damage and personal injury insurance and any other coverage carried by Owner on the property shall, by the appropriate endorsement of all policies evidencing such insurance without cost to Agent, to be extended to insure and indemnify Agent, as well as owner, as follows: FORTUNE REAL PROPERTY MANAGEMENT SERVICES, INC., is hereby named as an additional insured and insurance company agrees this policy shall be primary in respect to any coverage carried by FORTUNE REAL PROPERTY MANAGEMENT SERVICES, INC.

OWNER'S RESPONSIBILITIES:

In consideration of the property management services to be rendered by Agent under this Agreement, Owner agrees:

1. To reimburse Agent, upon demand, or from rent collected, to the full extent of all monies advanced by Agent for Owner's account in carrying out the purpose of this Agreement; it being understood however, that Agent is not obligated to make such advances.
2. Owner agrees that Owner is solely responsible for making all mortgage, property tax, and insurance payments regarding the subject property on a timely basis. Agent assumes absolutely no responsibility for same.

COMPENSATION AND OTHER PROVISIONS:

1. Owner agrees to pay Agent as a management fee:
  - a. \_\_\_\_\_ % of all rents collected, and
2. In the event that disbursements are in excess of rents collected by Agent, the Owner agrees to pay all such excess to the Agent immediately upon receipt of the monthly statement, provided that nothing herein shall obligate the Agent to advance any money for expenses.
3. It is agreed between Owner and Agent that any unpaid balances owing under this agreement shall be the subject of a valid Mechanics Lien to be recorded upon the subject property.

4. Agent shall not be liable for any willful neglect or abuse to the Owner's property by tenants or vandals or others.
5. Agent shall not be liable for loss of personal property left on the premises by the tenants or the Owner.
6. Agent may accept checks for rental payments from the tenant or tenants at the Owner's risk. The Owner agrees to reimburse Agent for monies advanced on tenant's behalf should the tenant's check never be made good by the bank.
7. It is understood between Owner and Agent that Owner shall remain an active participant in the management of the property and Owner has the right, if Owner wishes, to be involved in all decisions regarding the management, rental, and maintenance of the property.

**TERM OF AGREEMENT:**

This agreement is for a month-to-month period commencing on \_\_\_\_\_. Either Owner or Agent may terminate this Agreement upon 30 days written notice to the other party to be served personally or sent by certified mail to the other party at the mailing addresses listed below:

| AGENT  | OWNER   |
|--|---|
| FORTUNE REAL PROPERTY<br>MANAGEMENT SERVICES, INC.<br><br>BY: _____<br>KAREN ISBELL, PRESIDENT   | X _____<br><br>X _____  |
| ADDRESS:<br><br>7808 COLLEGE CIRCLE<br>NRH, TX 76180<br>Phone: (817)446-6363<br>Fax: (817)605-8812<br>Web: www.fortunerealproperty.com | ADDRESS:<br><br>_____<br>_____<br><br>PHONE #: _____<br><br>PHONE #: _____<br><br>EMAIL: _____<br><br>SS #: _____ |