

EXCLUSIVE PROPERTY MANAGEMENT AGREEMENT

This EXCLUSIVE PROPERTY MANAGEMENT AGREEMENT is between _____, fee simple owner of the subject property and/or with legal authority to execute this Agreement, hereinafter referred to as OWNER, and Premier Management Group, Inc. hereinafter referred to as MANAGER. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida and with venue in Orange County.

AUTHORITY TO RENT AND MANAGE PROPERTY:

OWNER gives MANAGER the Exclusive Right to secure a tenant and manage the real and personal property described as: _____, beginning the ____ day of _____, 2009 and continuing for a period of not less than twelve (12) months except that either party may terminate this Agreement upon giving thirty (30) day calendar written notice to the other party by certified mail. Manager reserves the right to terminate this agreement immediately with written or verbal notice if in the opinion of MANAGERS legal council, OWNERS actions or inactions are illegal, improper, or jeopardize the safety or welfare of any Tenants or other persons. Broker may at its option continue to hold OWNER liable for any commissions due or monies owed MANAGER if the Tenant remains in the property after such termination by MANAGER. In the event this agreement is terminated, the MANAGERS rights provided for in this agreement shall survive such termination. All monies expended by MANAGER shall be paid to MANAGER prior to cancellation and MANAGER is authorized to withhold any sums owed to MANAGER from Monies held prior to the final disbursement to OWNER. Failure to give notice constitutes an automatic and continuous agreement by the parties to the terms set forth herein.

The parties hereto recognize they are bound by the Civil rights Act of 1866, Title VII of the Civil Rights Act of 1968 and the United States Constitution and that the subject property will be offered to prospective Lessees without regard to race, color, religion, sex, national origin, age or handicapped persons.

MANAGEMENT OBLIGATIONS AND AUTHORITY:

MANAGER agrees to use due diligence to manage, operate and lease the property in accordance with this agreement. OWNER expressly grants to the MANAGER the following authority:

- A. Full management and control of the subject property, except authority and responsibilities expressly retained by OWNER, with authority to collect all rents and other monies and securities from tenants and property and issue receipts therefor.
- B. To prepare, negotiate and execute new leases and renewals of existing leases in accordance with the rent schedule, approved by OWNER and MANAGER jointly.
- C. To have minor repairs made, to purchase necessary supplies and to pay all bills and to charge same to OWNER. MANAGER will obtain prior approval of OWNER for any item or service in excess of \$ 200.00, except for monthly or recurring expenses and emergency repairs which in MANAGER'S opinion are necessary to prevent property from becoming uninhabitable or damaged, to avoid suspension of services required to be provided by law or lease, or to avoid penalties or fines imposed by a governmental agency.
- D. Enter into contracts on OWNER'S behalf for utilities, public services, maintenance, repairs and other services as MANAGER deems advisable.
- E. To initiate and prosecute eviction and damages actions on behalf of OWNER, and at OWNER'S expense, procure legal counsel for this purpose. MANAGER is given the exclusive authority to process and determine in its professional judgment the amount of claim upon the security deposit on behalf of OWNER, charge the Tenant accordingly and/or settle with the Tenants(s) upon advise of legal council. MANAGER shall not be held liable for any failure to make claim or claims on any damages, which were not readily apparent to MANAGER. Manager is not responsible for items missing, lost or damaged under any circumstances, including but not limited to, theft, vandalism or negligence of tenants, their guest or vendors.
- F. To advertise premises at the expense of OWNER.
- G. To hire and discharge on behalf of OWNER, and pay from OWNER'S funds, all persons necessary for the maintenance and operation of the property. It is understood that all persons so employed shall not be deemed to be employees of the MANAGER, per se.
- H. To deposit all receipts collected for OWNER (less any sums properly deducted or otherwise provided for) in a Trust Account separate from MANAGER'S corporate account. It is understood that any and all interest monies obtainable from the maintenance of said Trust and/or Escrow Accounts shall accrue to the benefit of MANAGER. MANAGER shall not be liable for bad checks or monies not collected.
- I. MANAGER is clothed with such other general authority and power as may be necessary or expedient to carry out the spirit and intent of this Agreement with respect to the leasing, management and operation of the property hereinbefore described,

except authority and responsibility expressly retained by OWNER. MANAGER will require releases from all parties in the event of a controversy before distributing funds.

- J. The OWNER agrees that the MANAGER shall collect late fees, non-negotiable check fees, lease modification fees, application fees, or any other fees that may now or in the future become a tenant obligation and that these fees are the property of the MANAGER to offset the MANAGER'S expenses in enforcing the respective Lease Agreement provisions. If these fees are not paid, they may be deducted from the tenant's security deposit.
- K. In the event a prospective Tenant places a holding deposit with broker and fails to take possession, said deposit, if retained, shall be disbursed 50% to OWNER and 50% to MANAGER. MANAGER retains the right to refund this deposit to prospective Tenant in full or part upon the advise of legal council.

MANAGEMENT RESPONSIBILITIES:

The MANAGER agrees to accept the following responsibilities:

- A. To use due diligence in the management of the premises for the period and upon the terms herein provided, and agrees to furnish the services of Premier Management Group, Inc. for the renting, leasing operating and managing of the subject premises. Agent assumes no liability for any failure of or default by any tenant in the payment of any rent or other charges due OWNER or in the performance of any obligation owed by any tenant to OWNER pursuant to any lease or otherwise.
- B. To render monthly statements of income, expenses and other charges and to remit funds to OWNER less the rental and management commission, fees, reserve amount and any costs and expenses provided for in this agreement by regular US Mail. OWNER FUNDS will be remitted if at all possible by electronic transfer to a bank account designated by owner (see attached Direct Deposit Agreement). It is understood that no funds will be released until such time as monies have cleared the MANAGER'S trust account. Statements shall be generated between the 11th and 15th of the month. In the event present or future disbursements shall be in excess of the rents that are collected by MANAGER, OWNER hereby agrees to pay such excess promptly upon notification by MANAGER. If in MANAGER'S judgment it may be necessary or proper to reserve or withheld OWNER'S funds to meet obligations which are or may become due thereafter and for which current income is or may not be adequate, MANAGER may do so.
- C. MANAGER'S employees who handle or are responsible for OWNER'S monies shall be bonded by a fidelity bond.
- D. MANAGER assumes no liability whatsoever for any acts, debts or omissions of OWNER, or any previous management or other agent of either. Nor does MANAGER assume any liability for previously unknown violations of environmental or other regulations which may become known during the period this Agreement is in effect. Any such regulatory violations or hazards discovered by MANAGER shall be brought to the attention of OWNER in writing, and OWNER shall promptly cure them.

OWNER'S AUTHORITY AND RESPONSIBILITIES:

The OWNER expressly retains the following authority and responsibilities:

- A. To approve new tenants based on the job security, creditworthiness and the advice of MANAGER.
- B. To decide jointly with MANAGER on a rent schedule for new tenants based on the OWNER'S knowledge of the rental market, or as communicated to OWNER by MANAGER, and knowledge of the required upkeep and routine maintenance of the property.
- C. To provide MANAGER with current and up-to-date copies of any applicable condominium or homeowner association rules and regulations. In the event that the tenant fails to comply with the rules and regulations and the association or board levies fee, fines, or assessments against OWNER, MANAGER shall not liable for the payment of such obligations.
- D. To execute all leases (or to delegate the exercise of this responsibility to MANAGER).
- E. To approve any capital expenditures.
- F. To limit advertising expenditures at any time.
- G. To enter the property at reasonable intervals for the purpose of making inspections to affirm the habitability of the property and to assure that MANAGER is performing management responsibilities as agreed.
- H. The OWNER shall become responsible for and assume all expenses in connection with the property subject to this Agreement.
- I. OWNER shall pay reasonable expenses incurred by MANAGER in obtaining legal advise regarding compliance with any law affecting the premises or activities related to them. If such expenditure also benefits others for whom MANAGER in this Agreement acts in a similar capacity, OWNER agrees to pay an apportioned amount of such expense.
- J. To hold MANAGER harmless and indemnify MANAGER from any and all costs and expenses incurred by MANAGER, including attorney's fees and costs at the trial and appellate levels, from any and all proceedings, suits or other claims in connection with the management of said property, except in the case of proven gross negligence or illegal acts by MANAGER, and from all liability for injuries to persons or property suffered or sustained by any persons whomsoever.
- K. OWNER shall be responsible for providing MANAGER with all current rules and regulations, and for payment of any recreation, land, and/or other fees, fines or assessments levied by a condominium and or homeowners association, and OWNER agrees to indemnify MANAGER for payment of same. In the event the tenant(s) fail to comply with the rules and regulations and the association or board levies fines or assessments against the OWNER, OWNER agrees that MANAGER is in no way liable for the payment of any fees, fines or assessments.
- L. To carry, at OWNER'S sole expense, public liability, property damage and extended coverage insurance adequate to protect the interests of OWNER and MANAGER. Said insurance will name both MANAGER and OWNER as insured parties, and will specifically cover the indemnity and hold harmless provisions of subparagraph I. above. Said insurance

shall require, by its terms and conditions, that the insurance carrier not be permitted to cancel insurance coverage without giving thirty (30) days prior notice to MANAGER. OWNER is to provide MANAGER with Certificate of Insurance as evidence that the property is insured under appropriate fire/landlord's policy.

INSURANCE COMPANY: _____ **POLICY NO.** _____

Agent's Name/ Address/Telephone: _____

OWNER PROVIDES THE FOLLOWING ASSURANCES:

- a. That he/she/they constitute the entire OWNER of the premises and will provide a copy of the deed if requested by the Manager. That he/she/they have full power and authority to hire Manager and have the right to receive income proceeds from the premises and that this power authority and right have not been assigned or transferred to others.
- b. That all mortgages, taxes, insurance and association dues are currently paid and are not in default, that the premises in not now the subject of a foreclosure or pending action. In the event, a foreclosure action is filed against OWNER, Manager shall be notified in writing immediately by OWNER.

COMPENSATION:

OWNER shall pay MANAGER the following fees, plus any sales tax relating to such fees if applicable, which fees shall become due and payable to MANAGER upon the execution of leases as herein provided:

- A. For management: _____% of gross revenue collected or a minimum of \$ _____ per unit, whichever is the greater amount, said fee to be payable as revenue is collected.
- B. For leasing: _____% of the gross total receipts; future leasing fees to be pro-rated to compensate for unfulfilled lease terms; and _____% of the gross total receipts on existing renewals, all fees to be collected at time lease or lease extension is executed. Leasing fees for lease terms of less than one year and/or for furnished units will be negotiated on an individual basis.
- C. For supervising contracted improvements, remodeling, repairs or insurance claims ABOVE AND BEYOND normal refurbishment of the property, a fee of five (5%) percent of the total cost shall be due and payable from the OWNER to the MANAGER upon completion of this work.
- D. It is understood by the parties hereto that this Agreement constitutes an exclusive authorization to lease and manage the subject property. OWNER agrees to pay MANAGER a fee in accordance with paragraph "B" above if the property is leased by OWNER or any party other than MANAGER during the term of the Agreement or a lease fee of an amount equal to one (1) month's rent should OWNER lease subject premises within ninety (90) days following termination of this Agreement to a prospect to whom property was shown or was otherwise procured by MANAGER.
- E. In the event the property is sold to a Tenant procured by MANAGER, OWNER agrees to pay MANAGER a fee equal to three (3) percent of the total sale price due and payable upon closing.

MATERIAL FACTS CONCERNING PROPERTY: List facts (including defects) that materially affect the property, such as structural problems, pending condemnation, foreclosure, presence of dangerous substances, or other occurrences on property (to be completed by OWNER):

NOTICES:

For the purposes of this Agreement, all notices required herein shall be deemed to have been served upon the other party when mailed to the following addresses or such other addresses as shall be changed in writing, properly notifying the other party:

Owner: _____

Mailing Address: _____

E-Mail Address: _____ **Telephone #** _____

MANAGER: Premier Management Group, Inc., 4502 35th St., Suite 200 Orlando, FL 32811

SPECIAL CLAUSES:

Facsimile Signatures: The parties agree that this agreement may be executed by Facsimile and such Facsimiles shall be binding as if originals.

This Agreement shall be and become binding upon the heirs, successors and assigns of the property hereto.
IN WITNESS WHEREOF, the parties hereto have affixed their hands and seals on the date below written.

Date _____

OWNER

_____ (L.S.)

Soc. Sec./Fed. I.D. No. _____

_____ (L.S.)

Soc. Sec./Fed. I.D. No. _____

MANAGER

Premier Management Group, Inc

Date _____

By: _____ (L.S.)

Peter M. Darby, Property Manager

SAMPLE