



**301 Concord Road
Anderson, SC 29621-2733
(864) 231-8393
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Management Agreement

In consideration of the mutual covenants and obligations contained herein,

(hereinafter referred to as "Owner") and Azalea Realty LLC (hereinafter referred to as "Agent"), 301 Concord Rd., Anderson, South Carolina 29621-2733, agree as follows.

I. Management

The Owner hereby employs the Agent exclusively to manage the following property:

(hereinafter referred to as the "Property"), upon terms and conditions set-forth herein, for the period commencing with the date of _____ 20__, and terminating at midnight on _____, 20__.

II. Best Efforts

Agent hereby accepts such employment and agrees to perform the services pertaining to said employment and to manage the Property to the best of its ability in a faithful and diligent manner, and without limiting the foregoing, Agent agrees to perform, and Owner hereby expressly authorizes and empowers the Agent to perform all duties, responsibilities, and obligations incident to the management of the Property, which duties, responsibilities, and obligations shall be exercised by Agent in its sole discretion to promote the best interests of Owner and the Property, as set-forth herein.

III. Duties Of Agent

Without limiting the foregoing, Agent shall have the following duties and rights:

- A. To review, cancel, amend, and enter into any rental agreements on behalf of Owner for the Property, including, but not limited to, the right to review and adjust rentals paid thereunder. Owner reserves right to set rental amount, and to mandate that no pets be kept on the property without written consent.
- B. To collect and use all reasonable efforts to collect all income therefrom, but nothing herein contained shall be deemed a guarantee by Agent for the collection of said income. To make all reasonable efforts to disburse to Owner rent funds collected by the 12th of the month fewer than five (5) houses/units or by the 20th of the month for five (5) or more houses/units, if not sooner, provided that the tenant(s) has paid the rent due in a timely fashion.
- C. To employ, discharge, and pay (from the funds of Owner) as the Owner's agent all employees and contractors necessary or desirable to be employed in the care, security, management, and operation of the property, and to pay all legal fees, accounting fees, and any and all other expenses incident to the management of the Property, provided Owner has authorized same. With regard to plumbing, electrical, air conditioning and heating equipment, and general necessary maintenance and repairs on or about the Property, including but not limited to repairs required by the South Carolina Residential Landlord and Tenant Act, Agent is authorized to employ qualified personnel to repair such equipment and contract to pay for same, provided the estimated cost of repair does not exceed \$500. Repairs in excess of \$500 shall require the express authorization of Owner. Legal or other associated fees with regard to the property, in excess of \$500, shall require express approval by Owner, with the specific exception of legal proceedings to distress for past due rentals or ejection proceeding against defaulting tenants.
- D. When necessary to prepare the Property for rental and with the consent of Owner, to pay on behalf of the Owner all charges for water, gas, and electricity and/or other utility charges and other services and commodities necessary or desirable in the care, operation, or maintenance of the Property and to consult with Owner regarding same.
- E. To advertise and market the Property at the expense of Agent.
- F. To carry out and accomplish any and all things reasonably necessary or desirable for the due and proper care, protection, and maintenance of the Property and to consult with Owner regarding same.

- G. To submit to Owner monthly statements of receipts, expenses, and charges, less disbursements, provided that nothing herein contained shall obligate or require Agent to advance its own funds on behalf of Owner, though Agent shall be reasonable and employ its best judgment with regard to the advancement of funds.
- H. To provide assistance and recommendations to the Owner in connection with annual budgets and the analysis of operating results.

IV. Authority Of Agent

Owner hereby gives and delegates to Agent the following authority and powers and agrees to assume the expense in connection therewith:

- A. To make or accomplish emergency repairs or replacements to the Property up to and including the sum of \$500, provided that the emergency is of such a nature that Agent cannot reasonably contact Owner prior to authorizing the required work. A single expenditure in excess of \$500 shall require prior approval by Owner or such other individual as Owner may specifically authorize for such approval. Notwithstanding the limitations imposed herein, Agent may, on behalf of the Owner, expend any reasonable amount or incur contractual obligations in any reasonable amount required to deal with emergency conditions or situations which may involve serious danger to life, bodily harm, or significant injury to the Property, or may threaten the safety of the Property or the occupants therein or may threaten the suspension of necessary service to the Property.
- B. To collect rents due or to become due and to provide to Owner monthly receipts therefore. Such collections shall be deposited into and held in Agent's escrow account until disbursement, pursuant to the applicable rules and regulations maintained by the South Carolina Real Estate Commission.
- C. To charge a late fee on any rentals in arrears or not paid when due and to retain and hold such late fees as part of Agent's compensation hereunder.
- D. To keep detailed and accurate records with respect to receipts, disbursements and the general management and operation of the Property and, upon request, to issue to Owner an annual itemized accounting of such information.
- E. To the extent necessary, to assist in the preparation and implementation of appropriate rules for the operation of the Property, including preparation and serving of appropriate notices of warnings to tenants with respect to actual or potential breaches of tenant's lease, the South Carolina Residential Landlord and Tenant Act or other applicable laws, statutes, ordinances or rules. Agent shall also report to Owner any and all information regarding continuing

infractions or breaches as identified above and to handle the related necessary paperwork and correspondence for Owner.

V. Duties And Obligations Of Owner

In consideration for entering into this Agreement, Owner agrees to following:

- A. To save and hold Agent harmless from all damages, suits, litigation and all losses, costs, and expenses, including reasonable attorney's fees, in connection with third party claims and/or the management of the Property, and from liability for injuries suffered by any employee or other person whomsoever. The Owner agrees to carry an insurance policy to cover the Property against damage and Owner hereby certifies that he does maintain an insurance policy in full force and effect for the Property.
- B. To pay a management fee to the Agent in the amount of ten percent (10%) of the monthly gross rent collected for each month or as hereinafter provided otherwise, during the term hereof (and a prorated portion thereof for fractional days or months during the term of this Agreement). Provided, however, should Owner choose to remove the Property from Agent's management hereunder, Owner shall be liable for and pay to Agent at the time the Property is removed the balance of the total management fee that would have accrued to Agent if this Agreement had continued in full force and effect through and including its termination date as set forth above.

VI. Major Repairs

Owner expressly withholds from Agent any power or authority to make structural changes to the Property or to install any new equipment or fixtures therein or to make any other major alteration or addition in or to the Property or equipment therein, or to incur any expense chargeable to the Owner other than expenses relating to the exercise of the express powers above vested in Agent, as detailed above, without the prior consent or direction of the Owner.

VII. Compliance With Laws

Agent shall have and assume no responsibility for compliance of the Property or any of its equipment or fixtures with the requirements of any ordinances, laws, rules, or regulations of the city, county, state, or federal government or any public authority or official thereof having jurisdiction over the Property, except to notify Owner promptly of any complaints, warnings, notices, or summonses received by it relating to such matters. The Owner authorizes Agent to disclose the ownership of the Property to any government officials and agree to indemnify and hold harmless Agent, its representatives, agents and employees, of and from any loss, cost, expense, or liability, including reasonable

attorney's fees, which may be imposed on them or any of them by reason of any present or future violation or alleged violation of such laws, ordinances, rules, or regulations.

VIII. Advances

Agent shall not be obligated to make any advance of funds to or for the account of Owner, except from the Owner's funds in the control of Agent, nor shall Agent be obligated to incur any liability or obligation for the account of Owner without assurance that the necessary funds for the discharge thereof will be provided. Agent shall employ its best discretion with regard to advances of funds on behalf of Owner.

IX. Agent's Liability

Agent shall not be liable to the Owner for any honest error of judgment, miscalculation, or honest mistake of fact or law allegedly made by Agent or any of its employees, agents, or other representatives in carrying out Agent's duties hereunder.

X. Notices

All formal written notices, along with routine correspondence and monthly statements and reports, that may need to be provided to Owner may be addressed and mailed via United States Postal Service mail to the Owner at the following address:

All written notices to Agent shall be addressed and mailed via United States certified mail to the Agent at the following address: Azalea Realty LLC, 301 Concord Road Anderson, SC 29621-2733.

XI. Binding Effect

This Agreement shall be binding upon the successors and assigns of Agent and the successors and assigns of Owner. Either party may decide to terminate the Agreement with a thirty (30) day written notice upon the terms and conditions provided in the Agreement.

XII. Additional Policies & Procedures

Agent shall initially attempt to lease the Property for _____ per month and shall communicate with Owner regarding rental possibilities and potential tenants.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the

_____ day of _____ 20__.

Owner

Witness

Agent

Witness