



Stress Free Property Management, Inc.

Exclusive Property Management Agreement

1. PARTIES: This agreement between _____, the owner or legally appointed representative of the property, hereafter called OWNER and Stress-Free Property Management, Inc., hereafter called AGENT/BROKER, whereby the OWNER appoints the AGENT to rent, lease, operate, control and manage the following property

(Please print address of the property): _____

The property includes the entire premises in full UNLESS any areas such as shed(s), storage closet(s), garage, attics, crawl spaces, other storage areas, or rooms are specifically excluded by OWNER in writing and agreed to in writing by AGENT.

Broker Obligations and Authority (Highlights described in further detail in the agreement)

- i. Employ and supervise all labor required for the operation and maintenance of the said premises: to make, or cause to be made, repairs and alternations, decorating of the premises and purchasing of necessary supplies. Owner agrees to assume the expense incurred in connection therewith; (See Section 12)
- ii. Render monthly statements to OWNER of expenses and charges on a timely basis.
- iii. Collect rent due or to become due, giving receipts thereof, and remit receipts less disbursements to OWNER on a monthly basis. (See Section 14)
- iv. Advertise the property for lease using means and methods that AGENT determines to be reasonably competitive, including the right to list the property with the Multiple Listing Service (MLS) or other computerized systems of public access.
- v. Using reasonable care, renew, refuse to execute, or refuse to renew lease agreements with prospective or existing tenants.
- vi. In the event of any default under a lease of the property, AGENT shall be authorized and obligated to use all industry best-practices in his attempt to resolve all said defaults, including, but not limited to, negotiation, mediation, arbitration, payment plans, and default notices on behalf of OWNER. AGENT shall institute legal proceedings that may be necessary in order to evict tenants or collect rents or other damages, upon authorization from OWNER.
- vii. AGENT shall assist OWNER in connection with the prosecution of tenants who damage the property.
- viii. BROKER shall collect a reasonable security deposit from all tenants. (See Section 3)
- ix. BROKER has authority to change all locks on home before a new tenant moves into the rental. This is for security and safety of new tenant. This charge will be responsibility of OWNER. This is necessary to prevent robbery or worse crimes against the new tenant as a result of the old key falling into the hands of someone dangerous. Former tenants often make a lot of copies of keys during their stay, and a key could fall into the wrong hands.

Owner Signature

2. TERM: It is mutually agreed by and between the parties that this Management Agreement shall be binding upon the parties, successors, estate and assigns and shall remain in full force and effect until termination pursuant to the terms of this paragraph. The term shall begin on the date this agreement is signed by both parties and be in effect for one year. Agreement will automatically renew for successive year periods at the anniversary date so long as there has not been at least a thirty (30) day written notice prior to the next term given by either party to terminate.

Should owner wish to terminate this agreement prior to the end of initial one-year term, owner agrees to provide 30-day written Notice to AGENT. All monies expended by AGENT shall be paid to AGENT prior to this cancellation and AGENT is authorized to withhold any sums owed to AGENT from monies held prior to the final disbursement to OWNER (such as leasing fee, management fees, or repairs to property). **Both AGENT and OWNER may cancel this agreement at any time with the proper Notice without any termination fee.** However, a written receipt is required from us stating we received the termination Notice from Owner.

3. RENTALS: AGENT will use reasonable efforts to lease or rent with the following terms:

One month's rent and a security deposit of one month's rent will be collected before occupancy of a tenant. The AGENT will always collect one month's rent unless written permission is given by OWNER for less. All deposits will be held by AGENT in a Non-interest-bearing account at Pilot Bank or such bank as Agent selects in the future. AGENT will determine market rent and convey this in writing through email. The Owner sets the rent for the property, but often this is given verbally. If Owner doesn't agree with rental rate, Owner must convey this by email and establish the preferred rental rate.

OWNER agrees to hold AGENT harmless for any failure to secure tenant(s) for the OWNER, any cancellation by the resident(s), and/or failure to collect any rents or monies due from the Tenant for any reason. In other words, AGENT cannot control what a tenant does, but AGENT will take reasonable measures to ensure all money is collected on behalf of the Owner. If AGENT finds a qualified tenant and obtains a security deposit but the tenant cancels before they move into the property, 1/2 of the security deposit will go to the OWNER and 1/2 to the AGENT to cover leasing and advertising costs (This is extremely rare).

Late charges or fees owed by any resident(s) shall be retain any such charges and late fees as compensation for work performed in the collection process.

**** AGENT makes extraordinary efforts in the collecting of rent and incurs expenses far in excess of a typical property manager. AGENT would be happy to discuss this issue with the Owner in detail on the phone.**

4. INSURANCE/FEES/TAXES/MORTGAGE/CHARGES: OWNER shall be responsible for and shall pay directly any fees for property taxes, insurance, or other lawful or required charges. In the event that AGENT agrees to pay any such taxes, insurance or other charges, OWNER acknowledges that AGENT does so as a matter of convenience for OWNER and OWNER retains all responsibility that said charges are paid when due. Under NO circumstance will AGENT be liable to OWNER due to any claims, losses, damages, expenses or lawsuits in the event that said charges are not paid for any reason. OWNER agrees to and does hereby indemnify and hold harmless AGENT, it's employees, agents assigns, from any and all claims, suits damages, costs, losses and expenses arising from the management of the property and from any injury to person and/or property occurring on or about the premises. OWNER agrees to indemnify AGENT for any damages suffered as a result of any lapse in or failure by owner to

maintain insurance coverage. **** In other words, we can't control what tenants do inside their home. We will of course periodically inspect to make sure they are behaving.**

5. UTILITIES: Tenant(s) are required to have telephone service, cable, electric service, water service and all other utilities in their own name. In any lease where the tenant(s) shall have use of the OWNER'S utilities and be responsible for all or part of the bill(s), AGENT shall pay the entire bill in a timely manner and forward copies to OWNER upon request. AGENT will deduct bills to the extent OWNER'S funds are available and OWNER agrees that AGENT shall be in NO way responsible for nonpayment of or theft of any utility service by tenant(s).

**** In the extremely rare event something like this occurs, Agent will take immediate action to stop this from continuing. Please note utilities are turned ON in the AGENTS name and lawn may be maintained between tenants as a necessity for repairs and showing the home. Owner is responsible for these charges and AGENT will deduct utility and lawn cutting bills from OWNER funds and disconnect services at the next date the home becomes occupied.**

**** Note if utilities are being turned on in our name when you first sign with us, you will need to provide \$350 for electric and \$300 for water (covers deposit and roughly 2 months of bills) for a total of \$650, before we can turn on the utilities. Once property is rented, deposits will be refunded back to us and then to you. Any overages will also be credited back to your account. If utilities are already on in your name, please leave them on until property is rented.**

6. CONDOMINIUM/HOMEOWNERS ASSOCIATION: In a condominium unit, the lease shall be subject to the Declaration of Condominium pertaining thereto and the rules and regulations of the Association and Board of Directors there under and, further, the OWNER shall be responsible for providing AGENT with all current rules and regulations, and for payment of any recreation, land, and/or other fees, fines levied by the association, or assessments and OWNER agrees to indemnify AGENT 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 AGENT is in NO way liable for the payment of any fees, fines, or assessments. OWNER agrees to provide AGENT with contact information and forms for condo or homeowners association if applicable at time of listing.

**** However, according to the lease signed by tenant, the tenant will be held responsible for any fines assessed by the association because of inappropriate behavior of tenant, such as not picking up trash.**

7. LEASING and MANAGEMENT: AGENT is given the Exclusive Right to screen prospective tenant(s). If an HOA or Condo Association exists, Owner is responsible for paying the application fees charged by them. Prospective tenants are charged \$30 per adult by us for our background checks but these other associations typically charge an additional fee which can't easily be passed on to tenant(s). Any legal notices or institution of eviction or damage proceedings against tenant(s), through the courts or otherwise, OWNER appoints AGENT to file any eviction proceedings as necessary.

8. OWNER warrants that the unit to be managed is a legal rental unit and rental of same will not be in violation of any rules, laws or ordinances.

9. DAMAGES or MISSING ITEMS: AGENT is not responsible for damage to the premises or items missing, switched out, lost or damaged under any circumstances, included but not limited to, theft, vandalism or negligence of tenant(s) or their guests. In the event tenant(s) damage the premises or owes any monies to the OWNER, AGENT is given the exclusive authority to determine in its professional judgment the amount due, charge the Tenant accordingly and/or settle with the tenant(s) upon advice of AGENT'S legal counsel. AGENT is given the power to make claims upon the security deposit on behalf of OWNER and AGENT shall not be held liable for any failure to make claim(s) on any damages which

were not readily apparent to AGENT.

** As professional managers we will make reasonable efforts to ensure the Tenant is charged for all damages beyond the normal "wear and tear."

10. HURRICANES, TROPICAL STORMS, and ACTS OF NATURE: AGENT shall not be responsible to take any precautionary measures to avoid any damages from any acts of Nature. ** However, we will do our best to fulfill any requests you have to protect your property.

11. AGENT'S AUTHORITY: AGENT is granted by the OWNER the right to manage the property as the AGENT deems necessary, to collect all rental and other funds that may be due to OWNER, to cooperate with other AGENT'S as AGENT may see fit, to require releases from all parties in the event of a controversy before disbursing funds and to do all those things AGENT deems necessary for the efficient management of the property with the exception of authority or responsibility expressly retained by OWNER in writing.

**** This just means we have authority to manage the property according to the rules established in this agreement.**

12. REPAIRS: AGENT is given the right to spend an amount not to exceed \$350 per property (per unit in case of multifamily), per maintenance request, a month to purchase necessary items, arrange cleaning, make repairs, or make any other purchases deemed necessary by AGENT for the management of the property and to pay for same out of OWNER'S funds, and, if inadequate, OWNER shall be billed for the difference. Any balance owed AGENT shall be paid by the 20th day of the month in which OWNER receives invoice.

OWNER agrees that any service charge for payments made by the owner via PayPal will be paid by OWNER and will be reflected on their Statement. Stress Free Property Management shall be entitled to apply any and all rents collected as an offset against expenses incurred or bills payable for the property. This includes any rents received from Section 8 during and after the management agreement expires. This right of offset shall survive any cancellation or termination of the management agreement.

- **In other words, if there is balance outstanding for the property while under our management and we receive funds after our management contract ends, we can use that money to pay these bills and return the rest (if any) to the OWNER.**

In case of emergency, i.e. air conditioning, heat, refrigerator, range or plumbing or any other repair the AGENT deems an emergency and or necessary in AGENT'S sole judgment for the safety of the tenant(s) or the welfare of the property, AGENT has authority to institute repairs, even if over the aforementioned limit. AGENT will arrange for all repairs, inspections, maintenance and cleanings, unless OWNER has selected, and OWNER makes arrangements with a third party directly.

**** Since we are here and do this for a profession, we must have the ability to fix emergency repairs since we are legally liable to the tenant (as you are). AGENT has affiliation with All County Maintenance, Inc. and will use All County Maintenance, Inc. as primary company for repairs unless owner requests otherwise in writing. Agent also has affiliation with Stress Free Construction who might be used for major repairs or remodeling**

**** We have NO problem with working with a Home warranty company or anyone else you designate for repairs just as long as they complete repairs in a timely manner.**

13. COMMISSIONS: AGENT is a licensed real estate broker and shall be entitled to a commission from all rent monies or sales proceeds collected (with the exception of Nonrefundable pet fees paid by Tenant

which shall be paid in full to OWNER if applicable), according to the following schedule:

50%: LEASE: The owner agrees to pay STRESS FREE PROPERTY MANAGEMENT, INC. a commission of 50% of a full month's rent (50% of 1st Full Month) for finding a tenant. OWNER agrees to pay 25% of a full month's rent as leasing commission upon any lease renewals.

Leasing Guarantee: We have a very thorough screening process in qualifying new tenants, so this rarely comes up. However, if a tenant that we select doesn't stay at least 9 months, we do not charge you a leasing fee to find you a new tenant.

- We must have placed the tenants. This guarantee does not cover residents we've taken over or inherited.
- The guarantee does not cover tenants who have to break lease due to military orders or transfers.
- It also doesn't not cover any tenants who have lived up to their lease terms by paying appropriate break lease fees. These lease break fees are paid 100% directly to you. This situation arises when tenants typically buys a home or are suddenly transferred. Normal lease break fees are the remaining balance on the lease or 2-month lease break penalty.

21 Day Rental Guarantee: If we are unable to lease your home in 21 days or less, we will give you two months of management free.

- You must consent to our rental quote suggestion based on comps in the area (some owners like to start higher than market rent and that's fine, but it will void this guarantee)
- Must consent to leasing agents recommended price drops due to slow traffic within the \$100 rent range that we initially give you (we do price drops in \$25-\$50 increments weekly if the phone isn't ringing)
- The home must be vacant
- The home must be rent ready for tenant move-in, the 21 days begins from the day the home is move-in ready.
- Must allow approved pets (Maximum of 2)
- 21-day benchmark is for collecting a deposit from an approved applicant, the tenant doesn't need to move-in within 21 days
- This guarantee is not in effect from November 1 through January 31 because that is the slowest time of year. We still rent homes quickly but cannot promise 21 days.

OWNER agrees to pay 25% of a full month's rent as leasing commission upon any lease renewals.

PURCHASE: OWNER agrees that AGENT shall be the listing broker for the sale or transfer or property while the management agreement is enforced. **** However, if you have a real estate agent you prefer, initial here: _____**

TENANT PURCHASE: If a Tenant purchases home through our efforts without using their own Realtor. We will reduce our commission rate from 6% to 4%.

PROPERTY MANAGEMENT FEE: The fee will be 8% of monthly rent collected.

14. PROCEEDS: AGENT shall send OWNER the proceeds collected from the rental of properties minus the rental commission, fees and any costs or expenses provided for in this agreement (utilities, lawn

Owner Signature

care, maintenance, repairs, etc. when applicable). Agent shall disburse these proceeds on the 10th of the month. For example, proceeds collected during the month of January will be distributed to owner on January 10th. It is understood that NO funds will be released until such time as monies have cleared the AGENT'S account. If Owner has multiple properties managed by Agent, Agent may transfer positive balances from one property to cover negative balances in another. **SFPM will establish a reserve of \$500 of owner funds to pay for any repairs or property expenses per property.**

Pursuant to Rule 61J2-14.014 of the Florida Administrative Code, the tenant if rental, buyer if sale, property owner if rental, and seller if sale hereby consent and agree that the escrowed funds (tenant security deposits and owner rental proceeds) may be placed by Stress Free Property Management, Inc. in a non-interest-bearing escrow account. Stress Free Property Management, Inc. shall Not be obligated to use an interest-bearing account and may choose to use a Non-interest-bearing account in its sole discretion.

15. OWNER REPORTS: Reports pertaining to the property will be sent on the 10th of each month with the Owners Proceeds. All reports will be sent via email unless otherwise specified by the owner. Stress Free Property Management, Inc. is Not a CPA nor accountant. All of our Income Statements and/or Balance Sheets should be reviewed by your accountant to comply with ever changing tax requirements. We will use our best efforts to differentiate between expenses and capital improvements (Leasehold Improvements) but each client and each CPA have a different comfort with this division and should review the applicable tax codes on their own.

16. NOTICES: We have the right to change agreement by sending you a letter stating the change. We will give you 45-day Notice to respond. You always have the right to opt out of the change if you respond within 45 days after we mail out the letter.

** We will rarely make changes in this way.

17. All calls are recorded by Stress Free Property Management and SFPM may access them to provide specific proof or lack thereof of communication on any subject. They will also be used for training purposes. **This is useful in verifying what was said by whom in the event of a misunderstanding.

18. VENUE: Each party to this agreement consents that any legal proceeding against, him, her, or it arising out of or in any matter relating to this agreement must be brought in the Florida Circuit Court in and for Hillsborough County. Each party further consents to the: (A) personal jurisdiction of any such court in any such action or proceeding. (B) Waives any claim or defense in any such action or proceeding based on any alleged lack of personal jurisdiction or improper venue. (C) Waives all rights, if any, to trial by jury with respect to such actions or proceedings. In the event the court finds any section or language in this agreement unenforceable the agreement shall be modified by the court to the smallest extent possible and all other portions of the agreement shall remain in force.

19. FREE ANIMAL PROTECTION GUARANTEE: Stress Free Property Management LLC charges a monthly Animal Administrative Fee to the tenant per each approved animal. We offer a guarantee that any damages caused to the home, above fair wear and tear, resulting from the approved animal(s) that is not covered by the security deposit will be reimbursed by Stress Free Property Management LL to make necessary repairs on behalf of the owner. This excludes any Service Animals per the Fair Housing Guidelines. This Free Animal Protection Guarantee is **limited to an amount of \$1000.00 per incident**. Any collection efforts under this provision become the sole responsibility and ownership of Stress Free Property Management LLC.

FACSIMILE SIGNATURES: THE PARTIES AGREE THAT THIS AGREEMENT MAY BE EXECUTED BY FACSIMILE OR EMAIL AND SUCH FACSIMILES OR EMAILS SHALL BE BINDING AS IF ORIGINALS.

EXECUTED this _____ day of _____, 20_____.

Owners Signature: _____

Owner's Name: _____

Mailing Address: _____

City, State, Zip: _____

Please provide your cell phone number and cell phone carrier as this will allow us to send you text Notifications for maintenance and other correspondence. In the event your email doesn't work or you prefer text messages.

Cell Phone Provider (Required) _____ Cell # (Required) _____

Phone Numbers: Work _____ Home _____

If you want us to turn on electric and water in our name for this first period until home is rented, please send \$650 -(\$350 - electric and \$300 Water) made out Stress Free Property Management. See Section 5 of this agreement for more details.

Owner's Email (Required): _____

Representative of Stress Free Property Management, Inc.
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www.StressFreePropertyManagement.com

Owner Signature