

EXCLUSIVE PROPERTY MANAGEMENT AGREEMENT

THIS EXCLUSIVE PROPERTY MANAGEMENT AGREEMENT (this "Agreement") is made as of the ___ day of _____, _____ by and between AMJ, Inc. of Gainesville, a Florida corporation (the "Agent") and _____, (the "Owner"). In consideration of the mutual covenants set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Exclusive Appointment; Property. The Owner appoints the Agent, and the Agent accepts the appointment, on the terms and conditions provided below, as exclusive management and leasing agent of the real property and improvements known as _____, Gainesville, Florida _____ (consisting of _____ residential unit[s]; collectively, the "Property").

2. Term; Renewals; Termination. This Agreement shall be in effect for a one year period beginning on _____ and ending on _____ (the "Anniversary Date"). This Agreement shall automatically renew for additional one year periods immediately following upon each Anniversary Date, unless the Owner terminates this Agreement in writing at least 60 days prior to that Anniversary Date. The Owner may terminate this Agreement other than on an Anniversary Date by (a) giving the Agent at least 60 days prior written notice, (b) paying the amount due to the Agent pursuant to subparagraph 5(b) below which would be due for the Property leased by the notice date for the greater of (i) six full months or (ii) the full remaining terms of the Property leases (including executed renewals) then in effect, and (c) reimbursing the Agent the amount of all disbursements made by the Agent on account the Property (including, but not limited to, the amounts pursuant to subparagraphs 5[f] through [k], inclusive, below). The Agent shall have the right to terminate this Agreement upon at least 60 days prior written notice to the Owner, and no commission shall be due to the Agent after the termination date, although all out-of-pocket reimbursements shall be due. A cancellation fee of **\$300.00** per residential unit shall be charged to the Owner if the Owner terminates this Agreement prior to the Agent's procuring tenants for the Property.

3. Owner's grant of authority and powers. The Owner grants to the Agent the following authority and powers during the term of this Agreement, and fully assumes the expenses in connection with such grant of authority and powers:

- a. to advertise the availability for rental of the Property, including by the display of "For Rent" signs; to sign, renew, and/or cancel leases for the Property;
- b. to prepare, negotiate, and execute on behalf of the Owner leases and renewals of existing leases in accordance with the then applicable rent and fees schedule;
- c. to collect rents and other amounts due or to become due (either directly or indirectly through a commissioned collection agency) , and to give receipts accordingly;
- d. to terminate tenancies, and to sign and serve on behalf of the Owner notices as may be necessary or appropriate; to institute and prosecute actions through legal counsel to evict tenants and to recover rents and other amounts due; and, when expedient, to settle, compromise, or dismiss those actions or suits or reinstate the tenancies.
- e. to make, or cause to be made and supervise, repairs and alterations on the Property; to decorate the Property; to purchase materials, supplies, and labor for the Property, and pay the bills accordingly; the Agent agrees to secure the prior approval of the Owner on all expenditures in excess of **\$400.00** for any one item or service, except monthly or recurring operating charges and/or emergency repairs exceeding **\$400.00** if in the sole opinion of the Agent those repairs are necessary to protect the Property from damage or to maintain services to the tenants as called for in their leases;
- f. to execute or otherwise enter contracts for electricity, gas, fuel, water, telephone, window cleaning, trash or rubbish hauling, and other services as the Agent may from time-to-time deem advisable; the Owner shall assume the obligation of those contracts at the termination of this Agreement; and
- g. to hire, discharge, and supervise all employees and independent contractors required for the operation and maintenance of the Property; those employees shall be deemed to be employees of the Owner and not of the Agent; the Agent may perform all of its duties under this Agreement through such employees, or other attorneys or agents, and the Agent shall not be or be liable for their negligence, errors, or omissions if reasonable care was exercised in their appointment and retention.

4. Agent's duties; Exceptions. The Agent agrees during the term of this Agreement:

- a. to use reasonable diligence in the management of the Property, and to furnish its services for the renting, leasing, operating, and managing of the Property;
- b. to approve new tenants based on criteria permitted by applicable law, including job security and creditworthiness, as well as the Owner's advice;
- c. to deposit all funds collected on behalf of the Owner (less any sums properly deducted pursuant to this Agreement or otherwise) in one or more accounts at a duly qualified national or Florida banking institution, separate from Agent's own accounts; the Agent shall not be held liable in the event of bankruptcy or failure of the depository; advanced rents and security deposits collected by the Agent may be placed in a separate interest-bearing account in a Florida banking institution for the benefit of the tenants pursuant to F.S. 83.49, and the Owner waives all rights to any such interest; IT IS SPECIFICALLY UNDERSTOOD AND AGREED BY THE OWNER THAT THE ACCOUNTS CONTAIN COMMINGLED FUNDS OF OTHER OWNERS OF PROPERTIES MANAGED BY THE AGENT AS PERMITTED BY APPLICABLE LAW; and
- d. to provide the Owner monthly statements of rental receipts and expenses for the Property, and to remit to the Owner all rent received for the property less (i) the amount due to the Agent pursuant to subparagraph 5(b) below and (ii) the amount of all disbursements made by the Agent on account the Property for the applicable month (including, but not limited to, the amounts pursuant to subparagraphs 5[f] through [k], inclusive, below); those statements and remittances will cover the periods beginning on the first and ending on the last day of the applicable month, and will be mailed to the Owner approximately twenty (20) days after the last day of the applicable month; if the

disbursements due to the Agent exceed the rents collected by the Agent (net of the amount due to the Agent pursuant to subparagraph 5(b) below) for the applicable period, then the Owner shall pay such excess expenses to the Agent immediately upon demand.

Notwithstanding the foregoing, the Agent does not and shall not assume any liability whatsoever:

- e. for any acts or omissions of the Owner, any previous managers of the Property, or the agents of either;
- f. for undisclosed or previously unknown latent defects to the Property or violations of environmental law or other regulations which may become known during the period this Agreement is in effect; any such latent defects, regulatory violations, or hazards discovered by the Agent shall be brought to the attention of the Owner, and the Owner shall promptly cure them; the Owner's failure to promptly cure any such latent defects, violations, or hazard will result in the immediate termination of this Agreement, but will not relieve the Owner from any amount due to the Agent pursuant to subparagraph 5(b) below, and any other amounts owed to the Agent, for the full remaining terms of the Property leases (including executed renewals) then in effect;
- g. for damage to the Property resulting from vandalism, natural disaster, and/or acts of God, whether occupied or vacant;
- h. for the furnishings or other personal property placed, kept, or left in, at, or about the Property by the Owner, tenants, or their respective guests, invitees, or agents; or
- i. for services other than as agreed to in this Agreement or in later written agreements signed by the Agent and the Owner.

5. Owner's duties. The Owner agrees during the term of this Agreement:

- a. to remit to the Agent with the execution of this Agreement the sum of **\$400.00** per residential unit, which shall be used as a reserve cash fund by the Agent for the exclusive benefit of the Owner and the Property; the Owner shall promptly restore this reserve cash fund to the original level upon request by the Agent; all sums expended by the Agent from this reserve cash fund will be subject to the same accounting standards as any other funds handled by the Agent on behalf of the Owner;
- b. to pay the Agent monthly for Property leases (including renewals) executed during the term of this Agreement (as it may be extended from time-to-time) the greater of (i) a commission of twelve percent (**12.0%**) of the gross rents (including pet fees and rent) collected or (ii) **\$80.00** per residential unit; the Agent shall retain for its own account all late fees and out-of-pocket collection costs it receives;
- c. to promptly pay the Agent (i) a lease renewal fee in the amount of three percent (**3.0%**) of the first months rent upon the execution of each lease renewal;
- d. to provide the Agent three (3) working sets of keys to the Property or bear the expense of having the required number of key sets made;
- e. to have the Property professionally sprayed for fleas if pets have been kept on or about the Property prior to the initial lease of the Property under this Agreement, and to provide the Agent written evidence that such spraying service has been performed;
- f. to promptly reimburse the Agent all funds that were disbursed to the Owner based upon the payment by a tenant of rent or other amounts with a check which is later dishonored, together with any bank fees incurred by the Agent as a result of the dishonored check, provided the tenant does not replace the dishonored check (together with applicable bank fees) with good and collectible funds within 30 days after notice from the Agent;
- g. to promptly reimburse the Agent for advertising costs to promote the Property;
- h. to promptly reimburse the Agent for regular pool maintenance through a licensed and bonded pool service company if the Property includes a pool;
- i. to promptly reimburse the Agent for monthly and/or quarterly lawn maintenance service; including fertilization and pest control; THE AGENT DOES NOT AND SHALL NOT ASSUME ANY LIABILITY FOR CONDITIONS OR DESTRUCTION OF LAWN, SHRUBS, TREES, OR OTHER FOLIAGE OR LANDSCAPING;
- j. to promptly pay the Agent a supervisory fee of fifteen percent (**15.0%**) of the total amount of labor and materials expended on behalf of the Property for (i) contracted improvements, (ii) major remodeling or repairs ABOVE AND BEYOND routine maintenance, or (iii) repairs which the Agent contracts to be done on the Property in the Owner's name prior to the initial lease of the Property under this Agreement;
- k. to promptly pay the agent Thirty-five and 00/100 Dollars (**\$35.00**) for a quarterly walk-through inspection of the Property by the Agent, unless the Owner waives this service by initialing immediately below:

I waive the quarterly walk-through inspection service: _____

- l. to protect, indemnify, defend, hold harmless, and exonerate the Agent from and against any and all suits, proceedings, demands, costs, expenses, or similar claims incurred by the Agent for liability, damages, or other relief (whether at law, in equity, or otherwise) directly or indirectly (including attorney's fees and costs through and including final appeal) in connection with (i) the management of or otherwise related to the Property or (ii) personal or property injury or damage suffered by any employee or other person or entity, in all cases to the fullest extent permitted by applicable law; consistent with the foregoing, the Agent shall not be held or construed to be liable for any error in judgment, for any mistake of fact or law, for any other thing which it may do or refrain from doing, or for any other error or omission, except in cases of willful misconduct or gross negligence; this subparagraph shall survive the termination of this Agreement;
- m. to carry, at the Owner's own expense, all necessary and appropriate public liability and workers compensation insurance adequate to protect the interests of the Agent and the Owner; all of those insurance policies shall name the Agent as an Additional Insured; the Owner shall provide the Agent a certificate evidencing each such insurance policy promptly upon its inception or renewal; and
- n. to immediately pay the Agent upon a sale of the Property to the tenant leasing the property (i) a six percent (**6.0%**) fee based upon the sale price of the Property and (ii) all amounts due pursuant to this Agreement on all leases and lease renewals by tenants secured by the Agent on behalf of the Owner during the term this Agreement (or any renewals of this Agreement).

Notwithstanding the foregoing, the Owner retains the following authority and responsibilities:

- o. to decide jointly with the Agent on rent and other fee schedules from time-to-time, based on the Owner's knowledge of the rental market and of the required upkeep and routine maintenance on the Property;
- p. to approve any repair that exceeds **\$400.00** in cost (except for emergency repairs for which the Agent empowered to approve as described in subparagraph 3[e] above) and
- q. to approve any capital expenditures.

6. **Notices.** All notices given or required by this Agreement shall be hand-delivered or sent by Certified Mail, Return Receipt Requested, or Registered Mail, addressed in the case of the Owner to: _____, and in the case of the Agent to: 502 N.W. 16th Avenue, Gainesville, FL 32601. Proof of the deposit of any such mail so addressed and with postage prepaid in the United States Mail shall constitute a conclusive presumption of its receipt by the addressee as of three (3) days following the date of deposit in the mail.

7. **Disclaimer.** **THE OWNER ACKNOWLEDGES THAT IT IS, AT ALL TIMES, FREE TO RETAIN AND/OR CONSULT WITH AN ATTORNEY OR AN ACCOUNTANT OF ITS CHOOSING RELATIVE TO ANY OF THE SUBJECT MATTERS AND SERVICES TO BE RENDERED BY THE AGENT, IT BEING EXPRESSLY UNDERSTOOD THAT THE AGENT DOES NOT FURNISH ANY LEGAL OR ACCOUNTING ADVICE OR SERVICES, DESPITE THE FACT THAT SOME OF ITS EMPLOYEES MAY BE LICENSED ATTORNEYS OR ACCOUNTANTS. THE AGENT DOES NOT PREPARE LOCAL, STATE, OR FEDERAL TAX RETURNS.**

8. **Miscellaneous:** This Agreement shall be binding upon the successors and assigns of the Agent, and the heirs, administrators, successors, and assigns of the Owner. This Agreement contains and sets forth the complete understanding and agreement of the Owner and the Agent, and supersedes all prior written or oral discussions, agreements, communications, or representations. The captions contained in this Agreement are for convenience only and shall not be construed to limit or define the substance of any paragraph hereunder. The Owner and the Agent have mutually negotiated this Agreement. Both parties have had an opportunity to review this Agreement with the counsel of their choosing. In the event of litigation or related legal action involving this Agreement, the terms and conditions of this Agreement shall be interpreted as of equal weight between the Owner and the Agent as co-drafters of this Agreement. If any provision of this Agreement is found to be invalid or otherwise unenforceable by a tribunal of competent jurisdiction, the remaining provisions hereof shall remain in full force and effect. This Agreement shall be governed by, and construed in accordance with, internal Florida law. The venue for all legal disputes arising out of or involving this Agreement shall be Alachua County, Florida. The parties specifically waive any and all right to jury trial as to any issue in any action based on or arising out of this Agreement. This Agreement may be amended, modified, or supplemented only in writing signed by the parties hereto. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together will constitute one and the same document. The parties hereto agree that this paragraph shall survive the termination of this Agreement.

9. **Other Conditions:** _____

IN WITNESS WHEREOF the parties hereto have affixed or caused their respective signatures this ____ day of _____.

Witnesses:

 Owner-

 Agent – AMJ, Inc. of Gainesville, a Florida corporation
 By – Karen Kepner, Agent