



Fletcher Property Management, Inc., CRMC®

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Little Rock, AR 72221-1269

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Management Agreement

In consideration of the covenants herein contained _____
(hereinafter called "OWNER"), and Fletcher Property Management, Inc., CRMC® (hereinafter called "AGENT FOR OWNER"), mutually agree as follows:

EXCLUSIVE AGENCY: The OWNER hereby appoints AGENT FOR OWNER exclusively to rent, lease, operate and manage the property known as _____

according to the terms and conditions contained in this agreement. Everything done by the AGENT FOR OWNER under the provisions of this agreement shall be done as Agent of the OWNER, and all obligations or expenses incurred hereunder shall be for the account of, on behalf of, and at the expense of OWNER.

TERM: The term of this agreement is for a period of 1 year beginning on the ____ day of _____, 20____ and ending on the ____ day of _____, 20____ unless otherwise terminated or modified as provided herein. Unless otherwise terminated, this agreement is automatically renewed for successive periods of 1 year each without additional notice.

TERMINATION: Either party may terminate this agreement by giving 30 day written notice. Should OWNER terminate this agreement prior to or at expiration, OWNER shall pay AGENT FOR OWNER the scheduled management fee specified herein for the balance of any lease agreements or renewals in effect or if property is vacant a cancellation fee equal to ½ of one month's scheduled rent with a minimum \$250 fee or for activity billed at the rate of \$50 per hour. AGENT FOR OWNER is granted a maximum of sixty (60) days from date of termination to process all outstanding obligations committed against the property and to render a final accounting to OWNER. Should a change of management of this property occur, Owner agrees and understands that AGENT FOR OWNER will transfer the Lessee's security deposit, less any and all outstanding balances owed AGENT FOR OWNER, to the new management.

TENANCY: AGENT FOR OWNER shall sign, renew or cancel leases; terminate tenancy and recover possession; institute, prosecute, defend or settle legal actions; or serve notices of non-compliance in the name of the OWNER at the expense of the OWNER as the exclusive AGENT of the OWNER. AGENT FOR OWNER shall comply with all Fair Housing laws and provide equal services to all persons.

RENT RATES: It is agreed that AGENT FOR OWNER may adjust rent rates according to market demand, however the rent rate shall not be less than \$ _____ nor more than \$ _____ except with OWNER'S written agreement. Rent rates on vacant properties are reviewed for adjustment on a weekly basis.

COLLECTION OF RENTS: AGENT FOR OWNER will collect all rents due or those to become due; sue for and recover rents and other sums due; take such legal actions as are necessary or desirable to evict tenants delinquent in payment of monthly charges; and, when expedient, settle, compromise and release any of these actions or suits or to reinstate such tenancies. Rents are not guaranteed except under the separate Guaranteed Rent Income program. Any fees or penalties assessed by AGENT FOR OWNER against the Tenant and subsequently collected will not be considered rent collected and shall remain the property of AGENT FOR OWNER. ALL payments received from and on behalf of Tenant (except from a recognized assistance program) will first be applied to the oldest outstanding charge and then towards any current rent.

ESCROW ACCOUNT: AGENT FOR OWNER shall maintain in a bank, whose deposits are insured by the FDIC, a non-interest bearing escrow account for all OWNER'S funds with authority to draw thereon for any payments to be made to discharge any liabilities or obligations of the OWNER incurred pursuant to and subject to the limitations of this agreement. AGENT FOR OWNER is not liable in the event of bankruptcy or failure of bank. AGENT FOR OWNER will not commingle funds.

SECURITY DEPOSIT: AGENT FOR OWNER will hold the security deposit collected from each tenant and OWNER will forward any deposits currently held. AGENT FOR OWNER will comply with applicable state or local laws concerning responsibility for security deposits, including notifying Tenant of the location of said deposit and providing them an itemized written disposition of deposit within 30 days of their having returned possession of the property. AGENT FOR OWNER shall be the sole determining party as to any deposit refunded to tenant and resolution of any disputes. OWNER agrees that normal wear and tear on the property is expected and will not hold AGENT FOR OWNER or tenant responsible. OWNER specifies Security Deposit to be same as rent or \$ _____.

MARKETING OF PROPERTY: AGENT FOR OWNER will market the availability of the property through the use of yard signs, classified advertising, the 24HR INFO-LINE and the www.FletcherPM.com website. OWNER agrees to pay the actual cost of any classified advertising plus a minimum \$15.00 weekly fee (while actively marketing a vacancy) for inclusion on the 24HR INFO-LINE & various Internet sites including a Virtual Tour of the property. There is only 1 ad per size & price for multiple units.

DELIVERY OF NOTIFICATION: Except as otherwise expressly provided by law, or set forth in this Agreement, any and all notices or communications shall be in writing and deemed duly served when delivered to AGENT FOR OWNER at Fletcher Property Management, Inc., PO Box 21269, Little Rock, AR 72221-1269 or to OWNER at address noted for distribution of net proceeds. Either party may change its address for the purpose of notification by giving written notice in the manner provided herein. Notice may also be given through fax or email, provided that the notice includes a notation of the date and fax number or email address used.

DISTRIBUTION OF NET PROCEEDS: Between the 15th and 20th of each month, AGENT FOR OWNER will remit any net proceeds, in excess of that amount deemed necessary by AGENT FOR OWNER to meet operational expenses and provide a detailed statement of receipts, disbursements and charges. Such remittance shall be deposited electronically via separate authorization. The detailed statement of activity shall be posted online at www.FletcherPM.com with a notification of availability emailed to OWNER. There is a minimum charge of \$10 per occurrence for mailing a paper check or paper statement..

REIMBURSEMENT OF AGENT FOR OWNER: AGENT FOR OWNER shall not be required to advance any moneys for the care or management of said property, and OWNER agrees to remit all moneys necessary upon receipt of notice. If AGENT FOR OWNER shall elect to advance any money in connection with the property, OWNER agrees to reimburse AGENT FOR OWNER forthwith and hereby authorizes AGENT FOR OWNER to deduct such advances from any moneys due OWNER along with a administrative fee of not less than 10% or \$25.00 per occurrence. Nothing contained herein shall be construed to obligate AGENT FOR OWNER to make any such advances. OWNER agrees to pay promptly upon demand when disbursements exceed rents collected and understands AGENT FOR OWNER may terminate this agreement if the excess is not paid.

REPAIRS, MAINTENANCE, UTILITIES & TERM SERVICES:

- a. OWNER warrants and assumes the responsibility that all structural components of the property are in good repair and the property conforms to state and local regulations. OWNER acknowledges that AGENT FOR OWNER has made no representation regarding condition of the property unless specifically set forth herein.
- b. AGENT FOR OWNER maintains an available pool of qualified, licensed and insured vendors who will respond promptly, pick up and return keys at our office or arrange entry with tenant and will bill us monthly. Should OWNER choose to purchase a Home Warranty Policy or specify vendors to use for the property then AGENT FOR OWNER will charge \$50 per hour (1 hour minimum) for time spent beyond that required when using our vendors. OWNER agrees that any repair requests not completed in a timely manner will be redirected to our vendors.
- c. OWNER agrees to maintain these appliances checked range fridge dishwasher disposal compactor washer dryer freezer or _____ . Any other appliances are left only for the tenant's convenience and will NOT be maintained.
- d. AGENT FOR OWNER will make or cause to be made, in the name of and at the expense of OWNER, ordinary repairs and/or alterations to the premises necessary to comply with all laws, ordinances, orders or other requirements of any federal, state, county or municipal authority having jurisdiction of the property and affecting the property and OWNER will indemnify AGENT FOR OWNER for any responsibility for such contracts beyond the term of this agreement.
- e. AGENT FOR OWNER will secure the prior approval of OWNER on all expenditures in excess of \$350.00_ for any one occurrence, except monthly or recurring operating charges and emergency repairs in excess of said sum.
- f. OWNER names _____ at _____ to provide approval of expenditures in the event OWNER cannot be reached.
- g. OWNER authorizes AGENT FOR OWNER to make such contracts for water, electricity, gas, telephone, vermin extermination, furnace and air conditioning repair, waste disposal, labor and other services as AGENT FOR OWNER deems necessary. All such contracts so entered into will be in the name of the OWNER and at the expense of the OWNER. OWNER will contract directly with any entity not allowing AGENT FOR OWNER to make such contract.
- h. OWNER herewith deposits, or authorizes to be withheld from occupied properties' net proceeds, \$350.00_ with AGENT FOR OWNER and agrees that \$350.00 will be maintained in AGENT FOR OWNER'S escrow account at all times for these purposes.
- i. OWNER understands and agrees that AGENT FOR OWNER principals and or employees may perform those repairs not requiring a licensed tradesperson.
- j. OWNER authorizes AGENT FOR OWNER to perform the following winterization of vacant properties: notify OWNER to do arrange utility service to provide heat & set thermostat at 50 turn water off at meter, open all water lines and fill drains with antifreeze at the current charge of \$75. OWNER understands and agrees there is no guarantee these actions will prevent damage to the plumbing and property.
- k. AGENT FOR OWNER has ownership interest in Property Management Maintenance, Inc which may provide repairs to your property that do not require licensure.

DUE DILIGENCE: AGENT FOR OWNER agrees to use due diligence in the management of the property and to furnish the usual supervisory services of its organization for renting, leasing, operating, maintaining, and managing the property upon the terms herein provided. AGENT FOR OWNER may hire, discharge, and supervise all labor and employees required for the operation and maintenance of the property, it being agreed that all employees shall be deemed employees of the OWNER or of the contractor retained by AGENT FOR OWNER on behalf of OWNER, and not of the AGENT FOR OWNER. AGENT FOR OWNER may perform any of its duties through OWNER'S attorneys, agents or employees and shall not be responsible for their acts, defaults or negligence, if reasonable care has been exercised in their appointment and retention. AGENT FOR OWNER shall not be liable to OWNER for any error of judgment, or for any mistake of fact or law, or for anything it may do or refrain from doing hereafter, except in cases of willful misconduct or gross negligence.

HOLD HARMLESS: OWNER agrees, at OWNER'S expense, to indemnify and save the AGENT FOR OWNER harmless from any claims or damages, including, but not limited to costs, expenses, and reasonable attorney fees and accounts thereof, that may be made by anyone in connection with the management of the property and/or injuries suffered by employees or any person whomsoever, and to carry, at OWNER'S expense, Comprehensive General Liability Insurance with limits of \$300,000 death or injury, and \$100,000 property damage. The AGENT FOR OWNER shall be named as an additional insured under OWNER'S policies at OWNER'S expense unless such naming is contrary to the Insurance Company's established procedure. In the event this insurance is canceled, a thirty (30) day written notice of cancellation will be sent to the AGENT FOR OWNER, and the AGENT FOR OWNER is specifically authorized to place, at OWNER'S expense, liability coverage if a copy of any existing liability policy is not furnished to AGENT FOR OWNER within thirty (30) days after the effective date of this agreement.

SEVERABILITY & WAIVER: Any provision of this agreement found to be invalid or in violation of any statute, rule, regulation, or common law shall be considered null and void, even while the remaining provisions remain valid and in effect. Owner agrees to waive all rights of action of any type against AGENT FOR OWNER for damages caused or allegedly caused by AGENT FOR OWNER, its employees, subcontractors, or any other party acting on its behalf. Nothing in this provision shall waive the owner's rights of action against contractors or subcontractors, such as plumbers, electricians, roofers, HVAC licensees, etc, who do work on the property.

BANKRUPTCY: In the event a petition of bankruptcy is filed by or against OWNER, or in the event OWNER shall make an assignment for the benefit of creditors, take advantage of an insolvency act or otherwise seek some form of debtor relief, AGENT FOR OWNER may terminate this agreement upon three (3) days notice to OWNER. If OWNER shall breach obligation hereunder and such breach remains uncured for a period of thirty (30) days after receipt by OWNER of notice of such breach, then AGENT FOR OWNER may forthwith terminate this agreement.

FEES: OWNER agrees to pay AGENT FOR OWNER

- a. **MANAGEMENT FEE:** A management fee of \$75 per month per occupied unit or 10% of the gross rent collected, whichever is greater, throughout the term of this agreement or renewal thereof. For management fee calculations, Pet Fees and Forfeited Security Deposits will be considered collected rents. Should OWNER choose to reduce rent rate during term of lease or renewal thereof, OWNER agrees to pay management fee on original scheduled rent. OWNER agrees to pay the management fee even if expenses should exceed rent collected in that month.
- b. **LEASING & RELEASING FEE:** A fee of ½ of one month's rent for securing an initial lease. Should the initial lease term not be completed, a prorated portion will be applied towards the next Leasing Fee. A Releasing Fee of \$75 for each lease renewal. AGENT FOR OWNER will pay any co-broker fees due.
- c. **EVICTION PROTECTION PLAN:** A fee of \$6.00 per month per unit managed and AGENT FOR OWNER will pay all legal fees and court costs in connection with an eviction for non-payment of rent of any tenant placed in the property by Agent for Owner. However, should the tenant request and be granted a jury trial for the Unlawful Detainer Action, the OWNER agrees that AGENT FOR OWNER will not be responsible to pay any cost incurred to litigate this case, and the OWNER agrees to pay all costs, including, but not limited to attorney fees, court costs, court reporter fees and \$50.00 per hour for AGENT FOR OWNER court appearance on OWNER'S behalf. Evictions during the first 12 months of coverage are excluded unless AGENT FOR OWNER provided tenant.
- d. **REPAIR COORDINATION:** Owner will pay a 10% coordination fee on repairs or other work requiring OWNER'S express approval or exceeding the stated repair limit. AGENT FOR OWNER will coordinate repairs by collecting any bids, scheduling or overseeing the work and paying contractors billings.
- e. **SALES COMMISSION:** If the property is sold or exchanged during the term of or within 365 days of the expiration or cancellation of this agreement by any person including OWNER, to any person, firm or corporation who has rented or leased the property through AGENT FOR OWNER, AGENT FOR OWNER shall be entitled to a commission split equal to five percent (5%) of the gross sales price.

RE-KEY LOCKS: AGENT FOR OWNER is authorized to have all locks on the property re-keyed prior to occupancy by a new tenant. **Double cylinder deadbolt locks will be repaired or replaced, where possible, to operate as single cylinder lock.** If OWNER has multiple units AGENT FOR OWNER will have a master key system set up for OWNER and cause each lock to be mastered, as it is re-keyed.

OWNERSHIP & LICENSURE: OWNER warrants that they are the sole legal owners of record of this property or have been appointed by the remaining owners of record to sign this agreement (attach written proof of appointment). OWNER is is not a real estate agent licensed in the state of _____. OWNER holds ownership as Sole Owner Partnership Corporate/General Partnership/LLC Power of Attorney Court Receiver Trustee Trust/Foundation.

DOCUMENTS: OWNER declines to employ an Arkansas attorney to prepare all necessary instruments involved in the management of the property and authorizes AGENT FOR OWNER to use its standard real estate form documents. These documents have been developed over time based on years of experience dealing with property management, and therefore, they continue to change from time to time. OWNER will provide at their expense an Arkansas attorney-approved form, and letter of compliance, for any additional agreement between OWNER and Lessee not addressed in AGENT FOR OWNER standard real estate form documents.

SPECIAL SERVICES: If any special services are provided, other than those detailed in this Agreement, additional fees shall be payable at a rate of \$50 per hour with a one hour minimum.

TAX REPORTING: AGENT FOR OWNER will report all rental income to the Internal Revenue Service at the end of each calendar year on IRS Form # 1099. Complete the attached W9 to give us accurate information.

FUTHER ITEMS OF AGREEMENT: Please initial your agreement to each item

- _____ a. **FURNACE FILTERS:** OWNER authorizes AGENT FOR OWNER to change the filters for central HVAC units quarterly. The current charge of \$20 per filter (\$17 per filter if more than 3 filters at the same location unless special equipment is required) is subject to change. During this visit the smoke detector battery will be checked and replaced if necessary. Accessible water supply and drain lines will be checked for possible damaging leaks.
- _____ b. **FURNACE CLEAN & CHECK:** OWNER authorizes AGENT FOR OWNER to have the furnace heat exchanger checked annually by a licensed HVAC professional to insure unit is in safe operating order.
- _____ c. **CHIMNEY CLEANING:** OWNER authorizes AGENT FOR OWNER to have any chimney on any wood-burning appliance cleaned and checked annually to be in safe operating order.
- _____ d. **PETS:** OWNER agrees that tenant, subject to the terms of the lease, will be allowed to have a maximum of _____ of the following pets on the property:
 Inside Outside Dog Cat _____ NOTE: _____
- _____ e. **SMOKING:** OWNER stipulates that tenant and/or their family or guests are are not allowed to smoke inside the property.
- _____ f. **OTHER:** _____

Once signed, this agreement is legally binding. If you do not understand the effect of any part, consult your attorney before signing. This agreement shall be binding upon the heirs, administrators, executors, successors and assigns of the AGENT FOR OWNER and the OWNER equally.

IN WITNESS WHEREOF the parties hereto have affixed or caused to be affixed their respective signature this _____ day of _____, 20__.

OWNER / Partner - _____ %

OWNER / Partner - _____ %

Signature

Signature

Address

Address

City, State Zip

City, State Zip

Home Phone

Work Phone

Home Phone

Work Phone

Cell Phone

Pager

Cell Phone

Pager

Email

Email

SS# or FID#

DOB

SS# or FID#

DOB

Fletcher Property Management, Inc., CRMC®

Request for Taxpayer Identification Number and Certification

Give form to the requester. Do NOT send to the IRS.

Please print or type	Name (If joint names, list first and circle the name of the person or entity whose number you enter in Part I below. See instructions on page 2 if your name has changed.)	
	Business name (Sole proprietors see instructions on page 2.)	
	Please check appropriate box: <input type="checkbox"/> Individual/Sole proprietor <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Other ▶	
	Address (number, street, and apt. or suite no.)	Requester's name and address (optional)
City, state, and ZIP code		

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. For individuals, this is your social security number (SSN). For sole proprietors, see the instructions on page 2. For other entities, it is your employer identification number (EIN). If you do not have a number, see How To Get a TIN below.

Note: If the account is in more than one name, see the chart on page 2 for guidelines on whose number to enter.

Social security number										
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List account number(s) here (optional)

Part II For Payees Exempt From Backup Withholding (See Part II Instructions on page 2)

Part III Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding.

Certification Instructions.—You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because of underreporting interest or dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, the acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (Also see Part III instructions on page 2.)

Sign Here	Signature ▶	Date ▶
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Section references are to the Internal Revenue Code.

Purpose of Form.—A person who is required to file an information return with the IRS must get your correct TIN to report income paid to you, real estate transactions, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA. Use Form W-9 to give your correct TIN to the requester (the person requesting your TIN) and, when applicable, (1) to certify the TIN you are giving is correct (or you are waiting for a number to be issued), (2) to certify you are not subject to backup withholding, or (3) to claim exemption from backup withholding if you are an exempt payee. Giving your correct TIN and making the appropriate certifications will prevent certain payments from being subject to backup withholding.

Note: If a requester gives you a form other than a W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

What Is Backup Withholding?—Persons making certain payments to you must withhold and pay to the IRS 31% of such

payments under certain conditions. This is called "backup withholding." Payments that could be subject to backup withholding include interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

If you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return, your payments will not be subject to backup withholding. Payments you receive will be subject to backup withholding if:

- You do not furnish your TIN to the requester, or
- The IRS tells the requester that you furnished an incorrect TIN, or
- The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or
- You do not certify to the requester that you are not subject to backup withholding under 3 above (for reportable

interest and dividend accounts opened after 1983 only), or

- You do not certify your TIN. See the Part III Instructions for exceptions.

Certain payees and payments are exempt from backup withholding and information reporting. See the Part II instructions and the separate instructions for the Requester of Form W-9.

How To Get a TIN.—If you do not have a TIN, apply for one immediately. To apply, get Form SS-5, Application for a Social Security Number Card (for individuals), from your local office of the Social Security Administration, or Form SS-4, Application for Employer Identification Number (for businesses and all other entities), from your local IRS office.

If you do not have a TIN, write "Applied For" in the space for the TIN in Part I, sign and date the form, and give it to the requester. Generally, you will then have 60 days to get a TIN and give it to the requester. If the requester does not receive your TIN within 60 days, backup withholding, if applicable, will begin and continue until you furnish your TIN.