



# Management Agreement

This agreement is made by and between WILCO Properties of Charleston, LLC as AGENT and \_\_\_\_\_ hereinafter referred to as OWNER in the management of real property know as \_\_\_\_\_ hereinafter referred to as the PREMISES, for a period of \_\_\_\_mos/yrs, beginning on \_\_\_\_\_ and ending on \_\_\_\_\_, and subject to the following terms and conditions: Unless sixty day notice in writing is given PRIOR TO THE EXPIRATION of the period specified above, of an intent to terminate this agreement, it is hereby agreed upon that this agreement will be considered as extended and binding from the termination of the period specified in all its provisions until such time s one party notifies the other, after which this agreement may be terminated on the last day of any calendar month by notice of not less than sixty (60) days given by either party, provided the PREMISES is not under lease.

## 1. APPOINTMENT AND AUTHORITY OF AGENT

- a. Owner hereby appoints AGENT as the sole and exclusive agent to rent, manage, collect and rents and operate the PREMISES. The OWNER may retain the right to make all management decisions as they pertain to establishing parameters for new tenants, rental terms, and capital or repair expenditures in excess of \$200.00 and must advise AGENT in writing.
- b. AGENT is authorized, at OWNER'S expense, to secure the services of other real estate brokers, place newspaper and other advertisement, and post rental signs on the PREMISES for the purposes of fulfilling AGENT'S responsibilities under this agreement. AGENT may place a lock box/locking devise on PREMISES to facilitate showings.
- c. AGENT is empowered to sign and/or cancel leases on OWNER'S behalf, to enforce the provisions of same, to institute legal actions or other proceedings to collect rents and other sums due; and when expedient, to settle, compromise and release such actions and suits, and to dispossess tenants, and other persons, including without limit institution of eviction proceedings in the name and on behalf of OWNER. Agent may select attorney of AGENT'S choice to handle any such matters at owner's expense.

## **2. TERMS: IN THE EVENT THAT THE PREMISES ARE RENTED OR LEASED THROUGH THE EFFORTS OF AGENT, AND THE LEASE TERM RUNS LONGER THAN THE TERMS OF THE AGREEMENT, AGENT SHALL CONTINUE TO BE COMPENSATED AS STATED IN PARAGRAPH**

6. In the event that the PREMISES is not rented or leased within sixty (60) days of

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the date of this Agreement, or remains vacant without being subject to a lease for any sixty (60) day period, either party may terminate this Agreement upon thirty (30) days written notice to the other party of such intention to terminate, provided that such written notice is delivered to the other party prior to the rental or lease of the premises through the efforts of AGENT. If the PREMISES contain multiple rental units, the termination provisions of this section will only apply if all units were not rented or leased within sixty (60) days period. Termination of this Agreement shall not adversely affect the rights of tenants under the existing leases.

**3. SPECIFIC AUTHORITY FOR REPAIR AND ALTERATIONS:** OWNER hereby gives AGENT the following authority and powers and agrees to pay promptly on demand all legitimate expenses in conjunction with the following: to purchase necessary supplies; to contract for such utility services as AGENT may deem advisable; and to make necessary repairs, OWNER authorized alterations or decorations to the PREMISES without the express written consent of OWNER (See authorization limit, paragraph 17). In addition to other authority of AGENT, AGENT may pay or incur without limitation on behalf of OWNER monthly or recurring operating charges and/or emergency repairs if, in the reasonable opinion of the AGENT, such repairs are necessary to protect the property from damage or maintain services to the tenants as called for in the "South Carolina Landlord Tenant Act" or rental agreement. Agent is authorized on behalf of OWNER to hire, discharge, supervise and pay employees, servants or contractors for work performed. All providers of services shall be deemed to be acting on behalf of the OWNER and not the AGENT. AGENT will not be liable to owner or others for any act, default or negligence on the part of such persons, servants, contractors or other workmen, providing AGENT has taken reasonable care in engaging them or their employers.

**4. AGENT'S RESPONSIBILITIES:** In addition to the forgoing, the AGENT will perform the following functions on OWNER'S behalf:

- a. Make reasonable efforts to collect all the rents and income due from tenants when such amounts become due, and to deposit same into an agency account maintained on behalf of the OWNER, but AGENT does not guarantee the payment of any tenant's rent.
- b. Withdraw from such accounts all funds needed for proper disbursements for expenses payable by the OWNER including without limitation, AGENT'S compensation and remit balance of rent to OWNER at OWNER'S address set forth below with a written statement within thirty (30) days of rent receipt, indicating said receipts and disbursements.
- c. Collect and place into escrow accounts, as required by law, security deposits under any lease. AGENT is authorized to disburse the security deposit at such times and to such persons as AGENT in good faith believe to be entitled to such funds in accordance without South Carolina laws governing security deposits.

**5. NON-ROUTINE SERVICES:** AGENT will maintain an availability for services related to certain non-routine services that may include:

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- a. Administration of insurance claims, fire restoration, disaster, catastrophes, new construction, substantial repairs and capital improvements at a rate of 15%, unless a differing rate is agreed upon in writing by AGENT and OWNER prior to the commencement of such services.
- b. Participation in legal actions initiated by or on the OWNER'S behalf, which includes court appearances, depositions, consultations with attorneys, auditors, background and investigative work involving or related to any legal action at an hourly rate of \$25.00 plus travel expenses if more than 30 miles round trip is involved, unless a differing rate is agreed upon in writing by AGENT and OWNER prior to the commencement of such services.
- c. Customized financial reports at an hourly rate of \$25.00 per hour, unless a differing rate is agreed upon in writing by AGENT and OWNER prior to the commencement of such services.

**AGENT'S COMPENSATION:** It is agreed that AGENT is entitled to compensation as provided herein in connection with any lease:

- a. Retention Fee: A onetime fee for the retention of professional services of the AGENT will be paid at the time of execution of the contract of \$125.00.
- b. Management Fee: A fee equal to \_\_\_ of gross receipts collected including all sums collectible under any leases. This fee shall in no instance be less than \_\_\_ of the base rent for the PREMISES during occupancy—regardless of whether or not the rent is collected, provided AGENT has taken all reasonable steps to collect same.
- c. Leasing: A fee equal to \_\_\_ of a full month's rent, but no less than \$125.00, shall be paid to AGENT, in addition to the management fee provided for in paragraph 6.b. above. This Leasing fee shall be due and payable for each subsequent renewal as well.
- d. Charges to Tenants: Returned check charges and application fees paid by tenants under any lease, or prospective tenants, are the property of AGENT to offset expenses in enforcing the respective provisions unless otherwise stipulated herein.
- e. Sale to Tenant: If a sale or exchange of the PREMISES to the Tenant, or to anyone acting for or on behalf of a tenant or to any member of a tenant's immediate family is contracted for or effected during the term of this Management Agreement or within ninety (90) days of its termination, the AGENT will be paid by the OWNER promptly a commission of 6% of the sales price, if the AGENT has a valid South Carolina real estate license for the sale of real property in effect on the date such sale or exchange is closed.

**INDEMNIFICATION:** OWNER agrees (a) to indemnify, defend and save the AGENT harmless from all loss, expense, damage, claim suits and costs whatsoever (including without limit attorney's fees and expenses) incurred and arising from performance or attempted performance by AGENT of its duties and powers hereunder whether for personal injury and/or property damage suffered by any person whomsoever on or about the PREMISES or otherwise, and (b) to carry at OWNER'S expense liability insurance of at least \$300,000 to protect the interest of the parties

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hereto. Policies shall be so written as to protect the AGENT in the same manner and to the same extent as they protect the OWNER and will name the BROKER as an additional insured or certified holder of the policy. The AGENT also shall not be liable for any error of judgment or for any mistake of fact or law or for anything which AGENT may do or refrain from doing, hereinafter, except in cases of willful misconduct or gross negligence. The AGENT shall not be responsible for any damage to the PREMISES, under any circumstance, by the tenant or others.

**8. TERMINATION BY AGENT:** AGENT may immediately terminate the agency by written notification if said PREMISES is sold, condemned or destroyed, or a petition for bankruptcy is filed by either OWNER or AGENT or OWNER fails to comply with any ordinance, law, rule or regulation by any local state or Federal Government agency, authority or official claiming to have jurisdiction with respect to the rental or sale of the PREMISES. If OWNER files for bankruptcy or a mortgage company forecloses due to non-payment of mortgage, AGENT will be paid all management fees due under the current lease, and may withhold them from the rental payments to the OWNER. Such termination will become effective when notice to terminate immediately is personally delivered to OWNER or notice by registered mail is deposited in the mail.

**9. CANCELLATION:** Subject to the right of existing tenants, this agreement may be canceled by either party with written notice, providing that termination become effective on termination date signed in such written notice which shall not be less than sixty (60) days after delivery or mailing of such notice. In the event of any termination by the OWNER of this agreement with existing tenants, notice will be accompanied by payment to the AGENT of a cancellation fee in an amount equal to one hundred percent (100%) of the management fee that would accrue over the remainder of the stated term of the agreement, plus any extensions, or over a six (six) months period, whichever is greater, and additional lease fees as provided above. For this purpose, the monthly management fee shall be presumed to be the same as \_\_\_\_ of the most current lease amount, or the minimum fee provided above, whichever is greater. (Payment not required if PREMISES is not under lease or if sale is subject to the provision contained in paragraph 6d above.)

**10. BINDING AUTHORITY:** This agreement shall be binding upon the successors and assigns of agent, and upon the heirs, administrators, executors, successor, and assigns of OWNER.

**11. NOTICE:** Any notice required or permitted to be given pursuant to the provisions of this agreement shall be deemed given (1) when delivered personally, or (2) on the date such notice is deposited in the United States Mail, postage prepaid, certified or registered mail, return receipt requested, and addressed as set forth in this agreement.

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**12. PAYMENT FROM OWNER'S FUND:** AGENT shall have no duty to expand AGENTS funds in fulfillment of AGENT'S responsibilities under this agreement. All payments required or permitted to be made by AGENT shall be made from OWNER'S funds. OWNER agrees to deposit with AGENT promptly on demand such funds as may be necessary in AGENT'S reasonable judgment by AGENT as provided in this agreement.

**13. LEAD BASED PAINT DISCLOSURE:** For dwellings built before 1978, and as required by applicable law, a Disclosure of Information on Lead based Paint and Lead Based Paint Hazards (the "Disclosure") must be signed by OWNER and attached to this agreement. OWNER represents that either (1) the improvements on the property were all submitted, commenced and constructed after December 31, 1977, or (2) the Disclosure has been fully completed and is attached to this agreement. OWNER agrees to provide AGENT with any such additional information or reports as may come to OWNER'S possession during the term of this agreement. OWNER acknowledges that AGENT has informed OWNER of the OWNER'S obligations to provide a tenant of the property with the pamphlet "Protect Your Family From Lead in Your Home," to provide information to a Tenant of the property with copies of available records and reports with respect to the property and lead based paint and lead based paint hazards, all pursuant to 42USC4582 (d), as amended.

**14. FORCE MAJEURE:** Any delays in the performance of any obligation of AGENT under this Agreement shall be excused to the extent that such delays are caused by wars, national emergencies, natural disasters, strikes, labor disputes, utility failures, governmental regulations, riots, adverse weather, and other similar causes not within the control of AGENT, and any time periods required for performance shall be extended accordingly.

**15. BREACH OF CONTRACT:** OWNER acknowledges liability for all AGENT'S attorney and court fees associated with any court action based on a Breach of Contract by OWNER.

**16. BINDING EFFECT:** This agreement shall be binding on and for the benefit of the parties hereto and their respective heirs, successors and assigns. This agreement shall be governed by, interpreted under and enforced in accordance with the law of the State of South Carolina. This Agreement constitutes the entire agreement between OWNER and AGENT and may not be modified except in writing signed by both parties.

**17. SURVIVAL:** Indemnifications and other provisions of this agreement which would benefit AGENT shall survive any termination of this agreement.

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IN WITNESS WHEREOF, the parties have set their hands and seals on this \_\_\_\_ Day  
of \_\_\_\_\_.

\_\_\_\_\_  
Agent Owner

\_\_\_\_\_  
Witness Owner

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