

MANAGEMENT AGREEMENT

This agreement, made this _____ day of _____, 20____, between _____ hereinafter referred to as OWNER and who herein represent they are the sole fee simple owners of and/or otherwise have the right to lease the following property known as:

hereinafter referred to as the PREMISES, and GEREK REALTY SERVICES, hereinafter referred to as AGENT, and who is hereby appointed by the OWNER as sole and exclusive AGENT to rent and manage the PREMISES.

Upon the terms and conditions set forth, beginning on the _____ day of _____, 20____, and thereafter for additional periods of one year unless on or before sixty (60) days prior to the expiration date of this agreement or any renewal thereof, either party hereto shall notify the other in writing that it elects to terminate this agreement. The OWNER shall pay or reimburse the AGENT for any sums of money due under this agreement for services for actions prior to termination. All provisions of the agreement that require the OWNER to have insured or defend, reimburse or indemnify the AGENT shall survive any termination, and if AGENT is or becomes involved in any proceeding or litigation by reason of having been the OWNER'S AGENT such provisions shall apply as if their agreement were still in effect. OWNER shall recognize AGENT in any negotiations relative the the PREMISES which may have been initiated during the term hereof as set forth, if the OWNER terminates this agreement. AGENT shall receive commission for the unexpired term of any lease or renewals made by AGENT and/or OWNER and shall receive same for so long as any tenant(s) procured by AGENT occupies, rents or leases the premises. The parties understand and agree that the Agent may withhold funds for thirty (30) days after the end of the month in which this agreement is terminated to pay bills previously incurred but not yet invoiced and to close accounts.

In consideration of the covenants herein contained, it is mutually agreed between the OWNER and AGENT hereto as follows:

1. Agent agrees to
 - (1.1) Use reasonable diligence in the management of the PREMISES and to furnish the services of its organization for the renting, leasing, operating and managing of said properties. However it is agreed that AGENT is not a guarantor of performance of lease covenants by any tenants.
 - (1.2) Deposit all receipts collected for OWNER in a national or state institution, qualified to engage in the banking or trust business. However, AGENT will not be held liable in event of bankruptcy or failure of a depository.
 - (1.3) Render to OWNER a monthly statement of receipts, disbursements, charges, and net proceeds and to remit each month the net proceeds to OWNER provided AGENT is not required by this agreement to make any mortgage, tax payments, direct deposits, or other disbursements as follows:
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In the event the disbursements or charges exceed the receipts, the OWNER agrees to pay such excess promptly. AGENT is not obligated to advance its own funds on behalf of OWNER and shall be saved harmless from any default or for any consequence thereof under the terms of any trust or mortgage. Should OWNER direct AGENT to make monthly mortgage payments, OWNER agrees to deposit an amount equal to the monthly mortgage payment with AGENT prior to commencement of AGENT'S making said payments.

2. OWNER gives the AGENT authority and power, any of which may be exercised in the name of the OWNER, and agrees to assume all expenses in connection therewith:
 - (2.1) To advertise the PREMISES, to display signs thereon and to rent the same, based on AGENT'S selection criteria. OWNER agrees to deposit \$100.00 with AGENT for advertising purposes. No advertising shall be placed without this deposit. AGENT will render a statement of disbursements from this deposit and any unused portion shall be refunded to OWNER. Should advertising expense exceed the initial deposit, OWNER agrees to reimburse AGENT for same promptly upon receipt of AGENT'S statement.
 - (2.2) To check references of the prospective tenants; to sign leases and to renew and/or cancel the existing leases and prepare and execute new leases without additional charge to OWNER, provided the AGENT may collect from tenants all or any of the following:
 - (a) A late rent administrative charge.
 - (b) A nonnegotiable check charge.
 - (c) A credit report fee.
 - (d) A subleasing administrative charge and/or broker's commission.And need not account for such charges and/or commissions to the OWNER; to terminate leases and sign or serve notices deemed necessary; to institute and prosecute actions to evict tenants and recover possession of the PREMISES, to sue for and recover rent to the extent permissible as a non-attorney; and when advantageous, to settle and release such actions or suits. OWNER shall reimburse AGENT for all expenses of litigation including attorney's fees, wan-ant and writ fees and court costs which AGENT does not recover from tenants.
 - (2.3) To make or cause to be made and supervise repairs/maintenance and pay all bills there from. OWNER agrees that all plumbing, electrical, and mechanical equipment/fixtures will be maintained in accordance with State and City ordinances, AGENT agrees to secure the prior approval of OWNER on all expenditures in excess of \$_____ for any item except emergency repairs in excess of the maximum, if, in the opinion of AGENT such repairs are necessary to protect the PREMISES from damage: or to prevent damage to life or to the property of others:
or to avoid suspension of necessary services; or to save AGENT and/or OWNER from any claim of liability whatsoever;
or to maintain services to the tenants as called for in their leases or by law.
 - (2.4) To execute contracts for utilities and services for the operation, maintenance and safety of the PREMISES as AGENT shall deem advisable and/or necessary including, but not limited to, winterization, extermination and yard care. OWNER shall assume the obligation of any contract so entered into upon termination of this agreement.

3. OWNER further agrees:
- (3.1) To furnish AGENT all data, including verbal contracts, warranties, neighborhood/condo/PUD information and any other records pertaining to the PREMISES which AGENT may require to properly exercise his duties hereunder.
 - (3.2) That \$100.00 shall be retained by AGENT in OWNER's account at all times for "emergency" purposes. (3.3) To indemnify, defend and save AGENT harmless from all suits, damage and costs incurred in connection with the management of its PREMISES and from liability from injuries suffered by any employee or other person whomsoever and to carry, at OWNER's expense, the necessary liability insurance, compensation insurance and Owner-Landlord-Tenant insurance adequate to protect the interest of the parties hereto, which policies shall be written to protect the AGENT in the same manner and to the same extent as OWNER, and to furnish certificates to AGENT evidencing the existence of such insurance within 30 days of agreement.
 - (3.4) To acquire insurance that will protect the PREMISES from damages, including frozen and burst water pipes and all other damages caused by the elements.
 - (3.5) To hold AGENT harmless in the event of a dispute between OWNER and AGENT as to AGENT's performance or failure to perform under the terms of this agreement including, but not limited to, error of judgment or mistake of law or fact, it is specifically agreed that the AGENT shall be fully discharged and held harmless from any liability, loss, cost, or damage that might result from AGENT's performance under this agreement, or from any other source, so long as AGENT's duties have been discharged in good faith.
 - (3.6) To provide AGENT with both a work or daytime phone number as well as a home or night time phone number and to further provide and maintain with the AGENT, the current address(es) of all OWNERS.
 - (3.7) When AGENT is to coordinate major repairs, defined as all work to be accomplished as a one time project with an estimated total cost of \$1,000 or more, AGENT shall be paid in advance, an additional fee of 15% of the total repair costs. AGENT shall provide three estimates to OWNER and shall award contracts based on OWNER's selection. AGENT shall use due diligence in inspecting the completed repairs, however, it is understood AGENT is not a guarantor of performance of any contractor.

4. The OWNER, desiring to comply with Internal Revenue Code Section 4690(i) and related provisions, hereby reserves the right to participate with AGENT to approve tenant criteria, rental terms, capital repair expenditures and any other management decisions promulgated by future Treasury Department regulations.

5. OWNER specifies the following person(s) to be considered as emergency contact person(s) in the event AGENT cannot reach OWNER regarding the PREMISES and such person(s) shall have the authority to advise and/or give consent to AGENT:

6. In consideration of the terms set forth, OWNER agrees to pay AGENT a commission of _____ percent (____%) of the gross rents collection for the management of the PREMISES and if OWNER decides to sell the PREMISES during the terms of this agreement or within sixty (60) days thereafter, OWNER agrees to list same with AGENT and will give AGENT written exclusive right of sell for ninety (90) days and pay AGENT commission as agreed upon at time of listing. If OWNER sells or conveys the PREMISES to a tenant procured by AGENT, the OWNER shall pay AGENT a commission of _____ percent (%) on the gross sales price, OWNER may not negotiate any sales contract directly with any prospect or tenant procured by AGENT without compensating AGENT as provided herein.

7. As a marketing incentive, OWNER authorizes payment of a finder's fee in the amount of \$. Said finder's fee shall be payable to the agent procuring a suitable tenant for the PREMISES.

8. OTHER ITEMS OF MUTUAL AGREEMENT;

PROPERTIES SHALL BE OFFERED WITHOUT RESPECT TO RACE, COLOR, RELIGION, SEX, HANDICAP, FAMILIAL STATUS, NATIONAL ORIGIN, AND ELDERLINESS.

This Agreement shall be binding upon successors and assigns of AGENT and upon the heirs, administrators, executors, successors and assign of OWNER and shall pass to any new OWNER in event of sale. Parties acknowledge having read and received a copy of this original dated this _____, 20_____.

THIS IS A LEGALLY BINDING CONTRACT, IF NOT UNDERSTOOD, SEEK COMPETENT ADVICE BEFORE SIGNING.

GEREK REALTY SERVICE

OWNER

OWNER

By _____
AGENT

Social Security/Tax ID Number