

## EXCLUSIVE RENTAL PROPERTY LEASING AND MANAGEMENT AGREEMENT

This Exclusive Rental Property Leasing and Management Agreement (the "Agreement") is dated this \_\_\_ day of \_\_\_\_\_, 201\_, and is entered into by \_\_\_\_\_, the owner ("Owner") of the property/properties commonly known as \_\_\_\_\_ (collectively, the "Property"), and Norriella Management Company, LLC., a Texas limited liability company ("Agent").

1. Appointment. Owner appoints Agent to be Owner's exclusive leasing and managing agent for the Property, and Agent accepts its appointment, under the terms of this Agreement. The parties acknowledge that additional properties may become subject to this Agreement, upon the mutual execution of an addendum hereto.

2. Agent's Responsibilities. Agent, on behalf of Owner, shall have the following responsibilities:

- A. to use reasonable care regarding the leasing and management of the Property, in Agent's sole discretion
- B. market and advertise the Property for leasing however Agent deems appropriate.
- C. allow prospective tenants, other agents, inspectors, and others to access the Property as Agent sees fit
- D. negotiate and execute original and replacement leases, lease renewals and extensions, upon such terms and conditions as Agent deems wise and proper; provided, however, that Agent shall not enter into a lease or lease renewal or extension for a period in excess of two (2) years, without Owner's written consent.
- E. treat all tenants and prospective tenants fairly, honestly, and professionally
- F. collect all monthly rent and other revenues due to Owner regarding the Property, and deposit such funds in a segregated, federally insured account at a financial institution.
- G. From the funds of Owner held in the Property's account, Agent shall pay all expenses and obligations incurred by Owner or Agent with respect to the management, maintenance, or operation of the Property.
- H. remit monthly to Owner all funds collected, after deduction of expenses, and a statement of receipts and disbursements for the preceding month, and of the balance in the Property's operating account. Agent may further disburse from such account any compensation due Agent under this Agreement.
- I. utilizing its existing computer software and business systems, Agent shall maintain proper books and records of all revenues and expenses relating to the Property, and provide such records to Owner upon request.
- J. prepare notices of rent delinquencies or other lease violations, and terminate leases as deemed necessary
- K. arrange for evictions of occupants, and any other legal action deemed necessary
- L. settle or withdraw any claim, involving insurance or otherwise, asserted regarding the Property provided Agent does not settle any claim for in excess of \$300, without Owner's consent.
- M. report payment histories of tenants to consumer reporting agencies, agents, and prospective landlords;
- N. engage, pay, and discharge contractors deemed required to manage, maintain, and repair the Property, provided Agent does not expend more than \$300 for any single matter without obtaining Owner's consent. Agent may hire contractors to address emergency situations without regard to these restrictions.
- O. Agent represents that it has an affiliated company which may perform services at the Property, from which Agent may profit, and that any such services shall be of high quality and at competitive rates.
- P. activate, manage, and deactivate utilities at the Property as necessary.
- Q. cooperate with Owner regarding Owner's required tax filings with respect to the Property.
- R. Owner authorizes Agent generally to do such other acts or things as Agent, from time to time, may deem wise and proper to carry out the duties stated in this Agreement.

3. Security Deposits.

A. Agent will collect, maintain, and properly account for security deposits.

B. After this Agreement ends, Agent will deliver to Owner the security deposits, less authorized deductions, and will send written notice to each tenant stating that Owner holds the deposits.

4. Compliance with Laws. Agent and Owner will each comply with all statutes, ordinances, regulations, and other laws applicable to the leasing, management, use, maintenance, and repair of the Property.

5. Limits to Agent's Authority, Duties, and Liability. Agent has no responsibility or liability for the following:

A. security services or devices at the Property

B. making or overseeing any structural changes to the Property.

C. compliance of Owner or the Property with any orders, judgments, building codes, statutes, or ordinances of any city, county, state or federal government or agency.

D. any acts or omissions of Owner, or any default by tenants in the performance of any obligations owed.

6. Operating Account. Upon commencement of this Agreement, Owner shall remit to Agent the sum of \$300, to be deposited into an operating account for the Property. Agent may, at its discretion, use the funds in the operating account to pay any expenses related to leasing and management of the Property, including Agent's fees. The Parties acknowledge that: (a) Agent has no obligation to advance funds for any purpose; (b) Agent may request additional funds for the operating account if anticipated by Agent to be necessary to satisfy Owner's obligations, or in the event of increases in the number of properties covered by this Agreement.

7. Foreclosure. If a foreclosure proceeding is commenced against the Property, Agent will distribute funds and take other actions consistent with applicable law, court orders, or instructions from a court-appointed trustee.

8. Coordination with Agent. Owner agrees, during the term of this Agreement and all extensions thereof, to:

A. cooperate with Agent to facilitate the showing and leasing of the Property;

B. not rent or lease the Property to anyone, or to negotiate with any prospective tenant, tenant, or tenant representative, but instead to refer all such persons to Agent for those purposes.

C. promptly remit to Agent any monies received by Owner from existing or future tenants.

9. Owner's Representations. Owner holds fee simple title to, and has the legal capacity to lease, the Property.

10. Term. This Agreement shall commence on the date above, and run for a term of one (1) year. It shall continue thereafter for successive terms of one (1) year each, unless terminated by either party by written notice, sent at least 60 days before the end of the term or any extension thereof.

11. Additional Termination Rights.

A. If Agent materially breaches this Agreement, and fails to cure such breach within 30 days after its receipt of written notice specifying the breach, Owner may send a written notice of termination to Agent, and

this Agreement shall be terminated as of the date specified in such notice.

B. Agent may cancel this Agreement at any time in the event that any insurance required of Owner is not maintained, or if Agent is prevented, for any reason beyond its control, from providing a high standard of leasing and management service to Owner and the Property.

C. Upon termination of this Agreement by either party, Owner shall assume the obligations of any contract executed by Agent under this Agreement for and on behalf of Owner.

12. Owner's Insurance. Owner shall maintain at all times during this Agreement Comprehensive General Liability Insurance, including personal or bodily injury, property damage, contractual liability, and coverage of subcontractors, in limits of not less than \$100,000.00 per occurrence. All policies of insurance shall name Agent as additional insured.

13. Agent's Compensation: Agent shall receive the following as compensation:

A. \_\_\_\_\_% of the gross monthly rents collected by any party for the Property.

B. Upon any extension/renewal of a written lease for any tenant for a period of one year, a fee equal to \_\_\_% of one month's rent.

C. A fee equal to \_\_\_% of one month's rent whenever a Property is leased, in writing, to a new tenant for a period of one year.

D. any allowable interest on the operating account, and any late fees, application fees, returned check fees, and similar charges collected from tenants and prospective tenants pursuant to Agent's standard policies.

E. Any compensation due to Agent based upon receipts collected by Owner or any other person or entity besides Agent, which is not paid to Agent within 10 days of written request therefor, will accrue interest at rate of 18% per annum until paid in full. This requirement shall survive termination or expiration of this Agreement.

F. Upon termination of this Agreement for any reason, Agent shall be entitled to receive all amounts of compensation due under this Agreement up until the date of termination.

14. Indemnification. Each Party shall indemnify, defend, and save the other Party, and its employees, members, managers, directors, officers, affiliates, subcontractors, and representatives, forever harmless from all suits, claims, damages, actions and liabilities (including attorney's fees, court costs, and any associated expenses) arising in connection with the Property or the leasing and management thereof under this Agreement (including but not limited to liability for damage to property and injuries to or death of any person) arising out of: (i) gross negligence, willful misconduct, or criminal conduct of the indemnifying party or any of its members, managers, directors, officers, employees, subcontractors or representatives, and (ii) material breach of this Agreement by the indemnifying party or any of its agents or representatives. Such indemnification shall not be applicable to: (i) the gross negligence, willful misconduct, or criminal conduct of the indemnified party, or its members, managers, officers, directors, employees, agents, affiliates, subcontractors, or representatives. The provisions of this section shall survive the expiration or termination of this Agreement.

15. Default and Remedies. Subject to Section 11, Agent or Owner are in default under this Agreement if they fail to rectify a material breach of their obligations within 30 days after receipt of written notice thereof. In the event of a default, the non-defaulting party may: (a) terminate this Agreement by providing written notice thereof, (b) recover all amounts that may be due to such party, or (c) exercise any other legal remedy available.

16. Dispute Resolution. If any dispute arises between Owner and Agent regarding this Agreement, they agree to negotiate in a good faith effort to resolve it, prior to taking any other form of action.

17. Extenuating Circumstances. Any delays in the performance of any obligations by Agent shall be excused to the extent that such delays were caused by wars, national emergencies, acts of God, natural disasters, terrorism, labor disputes, utility failures, riots, adverse weather, and other causes beyond the control of Agent,

18. Entire Agreement; Modification. This Agreement constitutes the entire Agreement between Owner and Agent with respect to the leasing and management of the Property. No modifications to this Agreement shall be valid unless approved by the Parties in writing. The Parties represent that the other party has made no warranties, representations, covenants or agreements, other than those set forth herein.

19. Agreement Binding On Successors. This Agreement shall be binding upon and inure to the benefit of Agent and Owner, and their successors, assigns, heirs, executors, and administrators. Agent shall not assign its interest hereunder except in connection with the sale of substantially all of its assets.

20. Relationship of the Parties. The relationship of Owner and Agent shall be solely that of principal and agent. Neither party shall have the power to bind or obligate the other, except as is set forth in this Agreement.

21. Legal. This Agreement and the performance hereunder shall be governed in accordance with Texas law. To the extent any provision of this Agreement is in conflict with any applicable law, that provision shall be deemed stricken from the Agreement, and the remainder of the Agreement will remain in full force and effect. The parties waive trial by jury, and submit to the personal jurisdiction and venue of the courts situated in the county where the Property or any portion thereof is situated. In the event of any legal action arising out of or in connection with this Agreement, the prevailing party therein shall be entitled to recover from the other party, in addition to any other rights or remedies available at law or in equity, all reasonable attorney's fees and court costs incurred thereby. In no event shall either party be liable for any incidental, special, exemplary, consequential or punitive damages, including property damage, or loss of use or of anticipated revenues. Agent's liability to Owner shall not exceed the management fees paid to Agent during the then-current one-year term of this Agreement.

22. Waiver. The failure of either party to this Agreement to insist at any time upon the strict observance or performance of any of the provisions of this Agreement, or to exercise at any time any right or remedy provided for herein, shall not impair any such right or remedy with respect to subsequent acts or omissions by the other party.

23. Notices. Any notice required or allowed under this Agreement must be in writing, and delivered by the parties or by any nationally recognized overnight courier, or sent by United States Certified Mail, return receipt requested, to the parties at the addresses indicated below, or to such other address as Agent or Owner may specify hereafter by notice in writing delivered as set forth herein.

To Agent:

Norniella Management Company, LLC  
6136 Frisco Square Blvd. #400  
Frisco, TX 75034

To Owner:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

For purposes of this Agreement, notices shall be deemed to have been delivered upon personal delivery thereof, or three (3) business days after having been deposited in the United States Mail as provided herein.

24. Broker. Agent represents and Owner acknowledges that Katherine Deaver Harrison, d/b/a Harrison Heights Realty, Broker's License Number 500553, shall supervise Agent's activities hereunder.

**OWNER:**

\_\_\_\_\_

By: \_\_\_\_\_

Print: \_\_\_\_\_

Title: \_\_\_\_\_

**AGENT:**

NORNIELLA MANAGEMENT COMPANY, LLC

By: \_\_\_\_\_

Print: \_\_\_\_\_

Title: \_\_\_\_\_