



MANAGEMENT AGREEMENT

PARTIES

In consideration of the covenants herein contained, _____
(herein called "Owner"), and Clark McDowell & Kic, Inc. (herein called "Agent"), agree as follows:

EXCLUSIVE AGENCY; RENEWAL; TERMINATION

1. The Owner hereby employs the Agent exclusively to rent, lease, operate and manage property located at _____, Texas _____, upon the terms hereinafter set forth for the period of one year beginning on the ____ day of _____, and ending on the ____ day of _____ and thereafter for annual periods. Either party may terminate this agreement upon thirty (30) days' written notice.
2. The Agent accepts the employment and agrees:
 - a. **RENTING OF PREMISES; AGENT TO NEGOTIATE LEASE**
To use due diligence in the management of the premises for the period and upon the terms herein provided, and agrees to furnish the services of the organization for the renting, leasing, operating and managing of the herein described premises.
 - b. **MONTHLY STATEMENTS**
To render monthly statement of receipts, expenses and charges and to remit to Owner receipts less disbursements. In the event the disbursements shall be in excess of the rents collected by the Agent, the Owner hereby agrees to pay such excess promptly upon demand of the Agent.
 - c. **SEPARATE OWNERS' FUNDS**
To deposit all receipts collected for the Owner (less any sums properly deducted or otherwise provided herein) in a Trust account in a national or state institution qualified to engage in the banking or trust business, separate from Agent's personal account. However, Agent will not be held liable in the event of bankruptcy or failure of a depository.
 - d. **BONDED EMPLOYEES**
Agent's employees who handle or are responsible for Owner's monies shall be bonded by a fidelity bond in adequate amount.
3. The Owner hereby gives to the Agent the following authority and powers and agrees to assume the expenses in connection herewith:
 - a. **AGENT'S AUTHORITY**
To advertise the availability for rental of the herein described premises or any part thereof, and to display "for rent" signs thereon; to sign, renew and/or cancel leases for the premises or any part thereof; to collect rents due or to become due and give receipts thereof; to collect from tenants all or any of the following: a late rent administrative charge, a non-negotiable check charge and credit report fee, and need not account for such charges to the Owner; to terminate tenancies and to sign and serve in the name of the Owner such

notices as are appropriate; to institute and prosecute actions; to evict tenants and to recover possession of said premises; to sue for in the name of the Owner and recover rents and other sums due; and when expedient, to settle, compromise, and release such actions or suits or reinstate such tenancies. Any lease executed for the Owner by the Agent shall not exceed one year.

b. REPAIRS

To make or cause to be made and supervise repairs and alterations and to do decorating on said premises; to purchase supplies and pay all bills therefor. The Agent agrees to secure the prior approval of the Owner on all expenditures in excess of \$200.00, for any one item, except monthly or recurring operating charges and/or emergency repairs in excess of the maximum, if in the opinion of the Agent, such repairs are necessary to protect the property from damage or to maintain services to the tenants as called for in their leases.

4. The Owner further agrees:

a. SAVE HARMLESS

To save the Agent harmless from all damage suits in connection with the management of the herein described property and from liability from injury suffered by any employee or other person whomsoever, and to carry, at his own expense, necessary public liability insurance in an amount of at least \$300,000 to protect the interests of the parties hereto, which policies shall be so written as to protect the Agent in the same manner and to the same extent they protect the Owner, and will name the Agent as co-insured. The Agent also shall not be liable for any error of judgement or for any mistake of fact of law, or for anything which may do or refrain from doing hereinafter, except in cases of willful misconduct or gross negligence.

b. Owner agrees to be responsible for paying all mortgage indebtedness, property taxes, homeowner association fees/assessments and all insurance required under Owner's mortgage and this Agreement. If Owner shall fail to pay to Agent the sums due to Agent under Paragraph 2b) hereof, or if any mortgage upon said property shall be foreclosed and the mortgage or other person, firm or corporation lawfully entitled to possession of said premises under said foreclosure shall demand or take possession thereof, or if any person or corporation holding an assignment of the rentals due or to become due upon said premises shall exercise his or its right to collect said rentals, or, if such rentals shall be seized under any order of any court, or if Owner shall fail to furnish Agent with funds necessary, in Agent's sole opinion and discretion, to properly operate and maintain said premises and necessary services in connection therewith, then, in any of such events, at Agent's option, Agent may terminate this Agreement, with or without prior notice to Owner, but any such termination shall not relieve Owner of any of his or its obligations to Agent theretofore accrued. Upon any such termination, Agent shall make a full written accounting to Owner for all funds received by Agent since the date of any last such accounting made to Owner.

c. To pay the Agent:

1. For Management: 10% of rents collected.
2. For Leasing: 1/2 of the first month's rent on a new lease; 1/3 of the first month's rent on a lease renewal.
3. Other: Owner to give Agent a 30 day notice of intent to sell.

d. This Agreement shall be binding upon the successors and assigns of the Agent, and heirs, administrators, executors, successors and assigns of the Owner. Venue for any action brought in connection with this agreement shall be in Harris County, Texas.

e. Owner agrees not to retain the services of any service provider or vendor obtained through Agent's management for any of Owner's properties for the duration of, and for a period of six months following the termination of this Management Agreement

5. TERMS AND CONDITIONS OF USE

IN WITNESS WHEREOF the parties hereto have affixed or caused to be affixed their respective signature this _____ day of _____. By submitting this form, I warrant to Clark, McDowell & Kic, Inc., ("CMK") that I am the record owner of the property described above or are legally authorized by the owner of record to enter into this management agreement. I further agree to, and accept, the terms specified in the management agreement to retain CMK to manage my property and agree to the management fees specified in the agreement.

Owner signature: _____