



Management Agreement
120 Brink Bend Court
Murfreesboro, Tennessee 37130
(615) 893-2380 Fax (615) 217-2172

(Mission Statement)

“Middle Tennessee Realty Group, Inc. strives to provide a personal, professional, and quality service insuring honesty and integrity with appreciation for the opportunity to represent the interest entrusted by our clients.”

Middle Tennessee Realty Group, Incorporated hereinafter referred to as **(MTRG)** is licensed and insured in the State of Tennessee, family owned and operated, and has been practicing real estate sales and property management since 1986 in Murfreesboro, Rutherford County and the Middle Tennessee area. We realize the importance of providing superior service to our clients. We are available to provide prompt and personalized service to ensure smooth and efficient management of your property(s). Our objective is to treat each property under our management as if it were our own.

Our management responsibilities include but are not limited to the following:

Advertising: Ads are run continuously on our website “www.mtrginc.com” “www.realtracs.com”, as well as www.homes.com, rentals.com, and zillow.com, + several other search engines. ***The cost for advertising is \$100.00 for the first 30 days and \$80.00 for each monthly term thereafter until the property is under lease with a qualified tenant.***

- Make appointments and meet with numerous prospects seven days a week to show the property.
- Investigate prospective applicants; credit, employment, past rental history, background, and references.
- Prepare lease to fit demised premises.
- Meet with vendors to acquire cost for cleaning, painting, repairs, or maintenance issues prior to move-in as necessary. Confirm these services are complete.
Owner may use any vendor of their choice as long as they service the property in a timely manner or in an emergency situation, immediately.
- Address any maintenance issues with tenants and owners.
- Continuously develop a relationship with reputable vendors for repairs/services to work with tenants and owners.

- The majority of the vendors we use allow our company to pay for completed repairs on the 5th of the month following the repair which is advantageous to our owners.
- Send an itemized statement to the owner on a monthly basis. Make deposits into Owners account with local banks by ACH.

Rental Applicant Qualification: Before applicants are considered to occupy a property, we investigate credit, employment, income and debt, and check references for all. We require the applicants to turn in two of their most recent bank statements to provide a history of their capability to save money or if they live paycheck to paycheck. We ask for most recent two months paycheck stubs to get a true picture of their income. We verify rental history with their current landlord and previous if they have not been at the same residence for at least two years. We also send their employers a verification as well if the applicant does not get paycheck stubs. If applicants(s) are credit worthy and have a good history of rental payments, and stable employment, additional required personal references may be contacted. If we feel that we need more assurance from applicants, we may require a larger security deposit, additional information, or a co-signer.

Preparing lease and collecting rent and security deposits: The lease contract is prepared to fit the property description and tenant responsibilities. Security Deposits are held in a non-interest bearing account at Pinnacle Bank as per the Tennessee Landlord /Tenant Act. *In accordance with the Tennessee Landlord Tenant Act- Title 66 Chapter 28 -Within four days of termination of occupancy but prior to any repairs or cleanup of the premises, a representative of MTRG shall inspect the premises and compile a comprehensive listing of any damage to the unit which is the basis for any charge against the security deposit and the estimated dollar cost of repairing such damage. The tenant has the right to inspect the property to ascertain the accuracy of the report. The representative of MTRG and the tenant must both sign the listing or the tenant shall specifically state in writing any items that the tenant does not agree with. A tenant who disputes the accuracy of the listing may bring an action in the appropriate court for the county that the property is located in. Security deposits may be applied to any unpaid rent after 30 days. The landlord is required to notify the tenant in writing of any refund due and may retain unclaimed refunds after 60 days of notification.*

Inspections: We perform an initial written walk-through with tenants prior to move in and another when tenants move out with signatures from tenant and MTRG. We also conduct periodic inspections discussed with owners.

MTRG agrees to conduct period inspections of the property upon giving the tenant at least a 24 hour notice. Periodic walk through inspections will be performed during the lease term to verify the condition of the property. Pictures are also taken of the property inside and out before initially renting property as well as after each move-out if necessary. The properties we manage specify in the lease that smoking is not permitted in any residence. This is initialed by the tenants.

Management Expense: Monthly management fee will be 10% of total rent collected. We charge a leasing fee of \$395.00 for first time placement of any tenant in any said property and \$395.00 thereafter each time the property is released to a new tenant. This management fee is charged to help cover the expense of business.

Proceeds from rent will be distributed to Owners by the fifteenth of the month in which rent is collected. In the event that security deposit is forfeited MTRG will retain 10% of Deposit. The security deposit is the property of the tenant and is held in escrow until the tenant has fulfilled the lease terms and obligations. In the event, the tenant elects to move out of the property prior to the lease expiration, tenant shall be advised that the lease is a contractual agreement and until a qualified tenant is located, the rent, utilities, maintenance of the yard and property, advertising and the leasing fee shall be at the tenant's expense. Owners are welcome to access the property with MTRG to confirm the assessment for damage.

Damage shall be defined as destruction or neglect of property, not normal wear and tear less reasonable depreciation. The tenant's lease stipulates that the tenant is strongly encouraged to obtain renter's insurance naming owner and MTRG as other interest.

In the event a tenant is delinquent with rental payments, MTRG will note this on the monthly payment report, but will only disburse rental income collected. MTRG will make every effort to contact tenants; this includes telephoning, emailing, and physically visiting the property to contact tenants if necessary. MTRG will inform Owners of any problems and progress. After the 5th day of the month or 5 days after the rent is due, if there has been no contact or correspondence from tenant(s) then an eviction letter to vacate will be sent out immediately. In MTRG's lease, tenants waive their 14 day notice of eviction. Should court action become necessary, due to negligence of property, delinquent payments, or tenants vacating property, MTRG shall secure and testify in court on Owners behalf. Owner(s) understand that all court costs, attorney fees, and warrants paid by MTRG shall be the responsibility of the owner and Owner is liable to reimburse MTRG.

In the event property is listed at the time of the signing of this agreement to lease the property, owner must be in a position by either expiration of a listing, at the beginning of the lease term, or an agreement to withdraw the listing from the market with the listing broker and honor the lease contract. The tenant will sign a lease for 12 months and unless a 60-day notice is given prior to the expiration date from either tenant or landlord to renew the lease with a change in terms or terminate the lease upon the expiration this lease will continue with an automatic roll over with the same terms and condition set forth in the original lease. MTRG will make every effort to contact owner at least 75 days prior to the expiration of the lease of the upcoming 60-day notice requirement. In the event the owner decides to sell and the qualified tenant leasing the property is interested in purchasing the property, owner agrees to compensate MTRG a selling commission of 5%.

Maintenance: Owners agree to permit MTRG to act on their behalf and comply with requirements of applicable building and housing codes materially affecting health and safety and make all repairs and do whatever is necessary to put and keep the premises in a fit and habitable condition. Owners agree to have doors rekeyed and locks replaced as requested by new tenant's w/new lease for security reasons.

Owners are responsible for normal wear and tear on properties after each lease term expires, such as cleaning, carpet cleaning, touch-up painting, toilet seats, blinds, light bulbs, rekeying doors after each lease, new stove pans. Smoke detectors must be in working condition with active batteries. Tenants are then responsible for keeping batteries active.

Air Conditioning Maintenance: We suggest that owners agree to have HVAC units checked and serviced twice a year, in the beginning of the warm weather months and at the beginning of cool weather months to prevent maintenance issues. Air conditioning filters are owner's expenses and several should be left at the property. Tenants are responsible for keeping filters changed. Tenants are informed that if filters are not changed on a regular basis and problems arise because of dirty filters, then they will be responsible and charged for repairs.

Owners agree to provide one fire extinguisher and a carbon monoxide detector where applicable.

Owners agree to the following: Tenants will not be responsible for any maintenance inside or outside of the premises rented that would be an injury risk such as trimming tall trees or shrubs, changing flood lights or cleaning out gutters. Owners also understand that if there is a high water bill due to a leak on the property that they will allow MTRG to contact Water Company and ask for past utility bill to compare and agree to allow us to credit the tenant back if water bill has been excessive due to water leak.

Owners agree to and acknowledge that house will be clean and in move in condition including clean windows and doors. Whenever tenants move out residence including windows and doors will be clean or tenant(s) will be charged accordingly.

Please confirm the following information concerning utility companies, addresses, and phone numbers:

Water: _____

Electric: _____

Gas: _____

Trash pickup (yes) or (no): If so what day? _____

Cable Ready or Satellite: _____

Owner should contact the insurance company that insures the property to give notification that the property will be leased/rented and owner agrees to keep property insured for fire, theft and liability loss and if there is a mortgage make the monthly mortgage payment on time and keep the property taxes paid.

Initials Initials

Owner authorizes MTRG to act on his/her behalf to make decisions regarding property in reference to the tenants. These decisions would include approving applicants, inspections for damages at lease termination for normal wear and tear, and emergency calls for decisions. ***Proposed monthly rental amount: _____ for a 12 month lease unless owner authorizes a price adjustment prior to tenant placement.***

Nonrefundable pet deposits are given to Owners. If property under a lease agreement is sold before lease expiration term with MTRG then new Owner is entitled to security deposits and pet deposits. These deposits will be assigned to new Owners at closing date.

We use a custom designed software program to maintain accounts. Monthly statements are sent by email unless otherwise agreed upon with Owners.

This agreement is between, _____ Owner(s) of the property located at _____ & MTRG. The effective date of this agreement is the date signed _____ and will expire one year after the rental agreement is signed (Lease contract to be attached to confirm expiration date) unless the tenant agrees to renew for an additional term which will renew this agreement with any changes in terms or provisions agreed upon by both tenant(s) and owners. **In the event the tenant remains for an additional term, this agreement shall also automatically renew for an additional term. Either party, owner, tenant, or MTRG must notify the other party within 60 days prior the expiration of this agreement of their intentions of non-renewal. In absence of written notification the agreement will automatically continue for an additional twelve month term on a yearly basis. This contract is assignable.**

In the event the owner decides to sell the property, the lease contract will prevail. The owner must give the 60 day notice of nonrenewal prior to the expiration date of the lease.

Owners contact information: (telephone/cell) _____.
Please make check payable to: _____.
Address to mail check: _____.
E-mail address: _____

OR

Please deposit my proceeds to: Institution: _____
(Owners are required to supply a Voided Check for ACH Deposits)
Financial address: _____

Routing #: _____ Account #: _____
(MTRG does not make Mortgage payments) (Please provide voided check for accuracy)

Middle Tennessee Realty Group, Inc.

Date

Initials Initials

Owner/Owners

Date

Tax ID# _____

We send 1099 at year end