



PROPERTY MANAGEMENT AGREEMENT

This PROPERTY MANAGEMENT AGREEMENT (the “Agreement”) is effective as of _____, 20____ (the “Effective Date”) by and between _____ (the “Property Owner”) the owner of _____ which consists of _____ unit(s) as more particularly described in Exhibit “A” attached and incorporated herein (the “Property”) and SHC Property Management, LLC, a Tennessee limited liability company (the “Property Manager”).

The Property Owner desires to engage the Property Manager to supervise, manage, lease, operate, and maintain the Property.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Commencement and Term.

1.1 Commencement and Termination. The Property Manager’s duties and responsibilities under this Agreement shall begin on the Effective Date.

1.2 Termination. This Agreement shall terminate on the earlier of: (i) the sale of the Property or (ii) one year from the Effective Date. If either party does not provide written notice of termination 30 days prior to the end of the Agreement term, the Agreement shall continue and may only be terminated with 30 days’ written notice from either party.

2. Property Manager’s Duties.

2.1 Management.

2.1.1 Generally. The Property Manager shall manage, operate and maintain the Property in a commercially reasonable manner for the tenants thereof, subject to (a) applicable governmental requirements and (b) the terms and provisions of this Agreement. At the expense of the Property Owner, the Property Manager shall keep the Property clean and in good repair and shall order and supervise the completion of such repairs as may be required, provided that the Property Owner, in a manner reasonably satisfactory to the Property Manager, makes available to the Property Manager sufficient sums to pay the costs thereof.

2.2 Leasing.

2.2.1 The Property Manager shall use commercially reasonable efforts to obtain tenants for all leasable space in the Property and to renew leases and rental agreements (collectively, “Leases”) as provided herein. The Property Manager shall have the authority to

negotiate and execute new and renewal Leases on behalf of the Property Owner. In connection with its leasing efforts, the Property Manager may advertise the Property for lease.

2.2.2 The Property Manager shall reasonably investigate all prospective tenants and shall not rent to people not meeting credit standards reasonable for the market. The Property Manager may, at their discretion, obtain a credit check for all prospective tenants. The Property Manager shall retain such information for the duration of the tenancy period and shall make it available to the Property Owner upon reasonable notice. The Property Manager is authorized to charge tenants or potential tenants reasonable administrative fees and retain such fees to cover the costs of processing rental applications.

2.3 Collection of Rents and Other Income. The Property Manager shall bill all tenants and shall use its commercially reasonable efforts to collect all rent and other charges due and payable from any tenant or from others for services provided in connection with the Property. The Property Manager shall distribute rent and fees to Property Owner monthly in accordance with this Agreement. The Property Manager shall deposit all monies so collected in the Operating Account as defined in Section 5.1.

2.4 Repairs and Maintenance. The Property Manager shall maintain the buildings, appurtenances and common areas of the Property other than areas that are the responsibility of the tenants, including any routine repairs as are necessary or reasonably appropriate in the course of maintenance of the Property. The Property Manager shall pay actual and reasonable expenses for materials and labor for such purposes from the Operating Account.

3. Owner's Duties and Representations.

3.1 The Property Owner represents and warrants that Owner:

3.1.1 Will obtain and keep in force (or require the tenants under the Leases to obtain and keep in force) adequate insurance against physical damage (such as fire with extended coverage endorsement) and against liability for loss, damage or injury to property or persons that might arise out of the occupancy, management, operation or maintenance of the Property,

3.1.2 Warrants that on the date of this Agreement, the Property is habitable, meets all governmental and contractual requirements and codes for habitation and rental.

3.1.3 Will cooperate with the Property Manager to lease Property to tenants.

3.1.4 Will be responsible for all costs and expenses associated with the maintenance and operation of the Property, up to and including annual HVAC maintenance, fireplace maintenance, and other normal maintenance items as necessary.

3.1.5 Will be responsible for timely payment of all property taxes, mortgage payments, and other expenses which could become a lien on the Property.

4. Financial Reporting and Record Keeping.

4.1 Books of Accounts. The Property Manager shall maintain adequate and separate books and records for the Property with the entries supported by sufficient documentation to ascertain their accuracy with respect to the Property.

4.2 Financial Reports. On or about the ___7th___ day following the end of each calendar month, the Property Manager shall furnish to the Property Owner a report of all significant transactions occurring during such prior month.

5. Bank Accounts.

5.1 Operating Account. The Property Manager shall deposit all rents and other funds collected in a depository account or accounts for the Property maintained by the Property Manager for the benefit of the Property Owner. The Property Manager shall maintain, with funds from the Property Owner, the Operating Account so at least \$500 in expenses per unit is in such Operating Account as of the first of each month. The Property Manager shall pay from the Operating Account, on behalf of the Property Owner, the operating expenses of the Property and any other payments relating to the Property as required by this Agreement. If the balance of this Operating Account falls below \$500 per unit, the Property Manager is authorized to deduct from any payment due to the Property Owner an amount necessary to bring the account to \$500 per unit.

6. Compensation. The Property Manager and its Affiliates will receive the following compensation.

6.1 One-time non-refundable upfront fee of \$1250.00

6.2 \$500 fee for each subsequent lessee.

6.3 \$200 Flat Fee monthly management fee up to \$3000 of gross rent. \$250 monthly management fee for gross rents of \$3000 or greater.

7. Notices. All notices and other communications to the Property Owner and Property Manager as provided for in this Agreement shall be in writing and delivered to the following address or at such other address as they may specify hereafter in writing:

To the Property Manager at:

SHC Property Management, LLC
2015 Tollgate Boulevard, Thompsons Station, TN 37179

To the Property Owner:

8. Miscellaneous.

8.1 Amendments. Each amendment, addition or deletion to this Agreement shall not be effective unless approved by the parties in writing, except as otherwise provided herein.

8.2 Attorneys' Fees. In any action between the Property Manager and the Property Owner arising from this Agreement, the party prevailing in such action shall be entitled to recover from the other party all of its reasonable attorneys' fees and other costs and expenses of the action or proceeding.

8.3 Governing Law; Venue. This Agreement shall be construed in accordance with the laws of the State of Tennessee without regard to any choice of law rules. Any action relating to this Agreement shall be brought only in a court of competent jurisdiction located in Williamson County, Tennessee.

8.4 Binding Effect. This Agreement shall be binding and inure to the benefit of the parties and their respective successors and assigns.

IN WITNESS WHEREOF the parties hereby execute this Agreement to be effective as of the date set forth above.

Property Manager:

SHC Property Management, LLC
2015 Tollgate Blvd
Thompsons Station, TN 37179

By: _____

Signature: _____

Date: _____

Property Owner:

Name: _____

Signature: _____

Signature: _____

Date: _____

EXHIBIT A :: UNITS TO BE RENTED

Address: