

AGREEMENT TO MANAGE REAL ESTATE

Between _____, Owner and
A Better Realty. Net, Bill and Lisa Hanawalt, Property Manager (s).
This Agreement dated as of the _____ day of, _____ 2009,
by and between _____, as principal
(hereinafter collectively referred to as “Owner”), and A BETTER REALTY .NET, a Limited
Liability Company chartered in the State of Arizona, Maricopa County, hereinafter referred to as
“Manager” as agent, shall be in effect for a period of _____ from, date _____ day of
_____ to _____ day of _____, at which time this agreement shall automatically continue
on a month-to-month basis, but with all other terms and conditions set forth herein remaining the
same, unless either party provides written notice to the other of their intention to terminate the
Agreement.

WITNESSETH

WHEREAS, Owner owns the tracts of real estate legally described in “Exhibit A”
attached hereto and made part of; and

WHEREAS, owner desires to appoint Manager as Owner’s agent to handle, manage and
control the real estate described in said “ Exhibit A,” and also such other real estate as may be
added to said “Exhibit A” from time to time by mutual agreement of, the parties, hereinafter
collectively called “ THE PROPERTIES” in accordance with the terms and conditions
hereinafter set out.

NOW THEREFORE, in consideration of the premises and the mutual promises and
convents herein contained Owner and Manager agree as follows:

ARTICLE I

Powers and duties of the Manager

- 1.01 Owner hereby appoints Manager as Owner’s agent to handle, manage and control THE
PROPERTIES and expressly authorizes and empowers Manager as follows:
- (a) To advertise THE PROPERTIES for lease and to execute leases covering THE
PROPERTIES, or any part thereof, for such rent and upon such terms and conditions
as Manager may deem wise and proper, PROVIDED, HOWEVER, that Manager
shall not enter into a lease for a period longer than five (5) years from the beginning
date of such lease without Owner’s written consent.
 - (b) To collect the rents and revenues from THE PROPERTIES.
 - (c) To maintain and keep THE PROPERTIES in a reasonable state of repair and to
expend such part of the rents and revenues from THE PROPERTIES, WHICH IT
COLLECTS, AS MAY BE NECESSARY IN SO DOING, provided, however,
manager shall not spend more than **\$ 200.00** in repairing any one tract of real
estate (or the improvements thereon) constituting THE PROPERTIES during any 12-
month period unless and until first receiving the written consent of Owner to do so.
 - (d) To keep the improvements of THE PROPERTIES insured against the hazards
normally covered by fire and extended-coverage insurance policies and rental income
insurance and public liability insurance policies in such amounts as Manager may
determine to be adequate to protect the interest of Owner. Owner to provide a copy of
the insurance declaration, agent and company contact information.
 - (e) To pay ad valorem taxes and improvement assessments against THE PROPERTIES
before same become delinquent.

- (f) To Maintain out of the rents and revenues collected from THE PROPERTIES such reserves, as Manager may deem wise and proper. Not to exceed \$ 200.00
- (g) To employ such attorneys, agents, contractors, and workmen as Manager may deem wise and proper in connection with the handling, managing and control of THE PROPERTIES.
- (h) To adjust and compromise any claim that may be asserted with respect to THE PROPERTIES and / or which may arise in connection with the management of THE PROPERTIES and to give binding releases in connection therewith.
- (i) Generally, to handle, manage and control THE PROPERTIES and to execute such agreements, contracts or other documents or do such other acts or things as Manager, from time to time, may deem wise and proper to carry out the duties stated in the Agreement.

1.02 Manager shall keep proper books of accounts of the agency, which said books shall be open to inspection by owner during the regular business hours of the Manager. Manager need not maintain segregated bank accounts relating to THE PROPERTIES, but the books and records shall reflect at all times the rents and revenues received and disbursements made as to each tract of real estate comprising THE PROPERTIES. Accounts shall be kept in compliance with all state laws. At such periodic intervals as Owner shall request, but not more frequently than monthly, Manager shall furnish to Owner a statement showing the rents and revenues received, the disbursements made and the other transactions had with respect to THE PROPERTIES for the period indicated by Owner.

1.03 Manager may continue to hold THE PROPERTIES to be handled, managed and controlled in accordance with the terms and conditions of the Agreement without liability or depreciation or loss, and the liability of Manager shall be limited to reasonable diligence in exercising the powers and authorities herein granted.

1.04 Manager is not authorized by this Agreement either to make any capital improvements on THE PROPERTY or to sell any of the real estate constituting a part of THE PROPERTIES. Manager is not authorized to create any mortgages, liens or encumbrances against the real estate constituting a part of THE PROPERTIES, unless and until first instructed in writing by Owner to do so.

1.05 Owner agrees that Manager shall be under no duty to undertake any action, other than as herein specified, with respect to the handling, managing and controlling of THE PROPERTIES, unless and until specifically agreed to in writing by Manager.

1.06 Owner agrees that Manager shall have a lien against THE PROPERTIES is secure the payment of Manager's compensation and any advances Manager may make from other funds.

1.07 Owner's objectives in the management of this property are: _____

Manager shall manage the properties accordingly.

ARTICLE II
Rights Reserved by the Parties

- 2.01 This Agreement may be altered, amended or modified at any time by written mutual agreement signed by Owner and Manager.
- 2.02 This Agreement may be terminated by either Owner or Manager giving to the other at least 30 days written notice of Intention to terminate this agreement on a certain date, specified in such notice PROVIDED, HOWEVER, the termination of this Agreement shall not affect the right of Manager to receive leasing commissions or fees which have accrued on the date specified in such notice and have not been paid. If, the Owner cancels this agreement before the contract end, the buyout rate is as follows. Seller shall pay the remainder of the term on all units at the vacant/minimum rate.
- 2.03 Attorney's Fees. In any action or proceeding to enforce any provision of this agreement, or for damages sustained by reason of its breach, the prevailing party shall be entitled to receive from the other party reasonable attorney's fees, as set forth by the court, and all other related expenses, such as expert witness fees, fees paid to investigators and court costs. Additionally, if any broker reasonably hires an attorney to enforce the collection of any fees, commissions or compensation payable pursuant to this agreement, Owner agrees to pay such Broker's reasonable attorneys' fees and costs.

ARTICLE III

Manager's Compensation and Right of Reimbursement

- 3.01 For service hereunder, Manager shall be entitled to receive and retain such compensation as is fair, reasonable and customary at the time such services are performed. Owner and Manager however may from time to time mutually agree in writing as to the amount of compensation that Manager may receive for services hereunder. Owner agrees to pay to Manager upon demand any fee for services rendered by Manager and/or out of pocket expenses incurred by Manager in the handling and managing of THE PROPERTY where Manager does not have available funds from the rents and revenues from THE PROPERTIES from which to be reimbursed.
- 3.02 Owner promises and agrees to indemnify Manager and hold Manager harmless from and against any and all losses and liabilities incurred by Manager as a result of any action in good faith taken or not taken by Manager pursuant to the terms and conditions of this Agreement as to any such action taken or not taken by Manager prior to the receipt of Manager of written notice of such termination.

ARTICLE IV

Miscellaneous

- 4.01 This Agreement shall be binding upon and shall inure to the benefit of Owner and Manager and their respective heirs, executors, administrators, successors and assigns.
- 4.02 All notices authorized or requested between the parties or required by any provisions of this Lease or by law shall be in writing and must be received by the parties or delivered by receipted means to the notification address of the receiving part, as set forth below, or to such other address as the parties may direct by notice given as herein provided. The effective date of any notice given hereunder shall be the date on which such notice is received or delivered as above set forth

NOTIFICATION ADDRESSES

Owner (s)

Manager (s)

Name

A BETTER REALTY.NET

Lisa and Bill Hanawalt

Address

8330 E. Broadway Rd.

Mesa Arizona 85208

City, State, Zip code

Phone: 480-655-0904

Fax: 480-655-1266

Phone

E-mail lisa@abetterrealty.net

E-mail bill@abetterrealty.net

Social security number or tax id number (LLC's)

Fax

E-mail

**ARTICLE V
Special Terms and conditions**

Monthly Management Fees – Month-to-Month Rental Agreement

Percentage of total monthly income

PLAN A 1 unit – 10 % of monthly rent or \$65 per month for vacant unit.

PLAN B 2-5 units – 9.5 % of monthly rent or \$50 per month for vacant unit.

PLAN C 6-19 units - 8% of monthly rent or \$30 per month for vacant unit.

PLAN D 20 or more units – negotiable

No. Of units - % from monthly rent or \$ per unit minimum

OWNER'S INITIALS _____

Vacant units are charged the minimum amount per month.

Rental of empty units by Manager: \$300 per unit.

MLS Realtor (buyer broker) fee is a flat fee of \$300.00

Total fees are \$600.00 if a Buyer Broker is involved.

Owner will pay all advertising fees if owner wants advertising. (Newspaper, websites, postcards, email flyers, etc.)

Trust account for rents, security deposits, cleaning deposit, late fees, and any other monies in the trust account may earn interest, with interest staying in the trust account to help cover the costs of the trust account.

All late fees will go to property manager to cover the cost of securing late rents.

If owner decides to sell the property the owner agrees to list the property with A BETTER REALTY.NET. Commission to be 5% of sales price.

Property Management Duties:

1. Collection of rents and security deposits
2. Maintain a Trust Account for all security deposits and rents
3. Eviction notices, 5 day notices, 10 day notice, 30 notice
4. Tenant complaints
5. Coordinating maintenance
6. Handling utilities , paying utilities
7. Rental rates: Rents may be lowered or raised, depending on market rate and to be decided by owner.
8. A BETTER REALTY.NET signs on property when there are units to rent.
9. Unit inspection and return of security deposit less any deductions.
10. Collecting sales taxes
11. Sending owner monthly statements and monies less management fees
12. Obeying and staying within the Arizona Landlord and Tenant Laws
13. Showing the unit, placing unit in MLS system, on the internet.
14. Helping facilitate other agent showing and bringing in the Tenant.
15. Writing the lease and addendums for the property.
16. To help screen tenants, to facilitate when we have an undesirable Tenant.
17. City or County complaints
18. Monthly drive-by inspections, with interior inspections if needed.

**ARTICLE VI
Distribution of Income**

- 6.01 Manager shall distribute the “net income” as that is hereinafter defined, derived from the handling, managing and controlling of THE PROPERTIES to Owner in accordance with the written instructions of Owner at such intervals, not more frequently than monthly, as Owner may state in said written instruction. “Net income,” as used in this paragraph, means gross rents and revenues derived from THE PROPERTIES after deducting proper expenses and amounts requisite from maintenance of authorized reserves.
- 6.02 How rents, security depots, cleaning deposit, are to be Distributed if different than contract: _____
- _____
- _____

IN WITNESS THERE OF, Owner and Manager has executed this Agreement, as of the date first above written.

OWNER: _____
Signature

Owner Contact: _____
Name Telephone

MANAGER: _____
Signature

Manager Contact: Bill and Lisa Hanawalt, A BETTER REALTY.NET 480-655-0904
Name Telephone

ADDENDUM

ON TERMINATION OF THE PROPERTY MANAGEMENT AGREEMENT THE PROGERTY MANAGEMENT FIRM SHALL PROVIDE THE OWNER WITH A FINAL ACCOUNTING OF THE PROPERTY’S FINANCIAL STATUS THAT INCLUDES AT A MINIMUM:

1. WITHIN FIVE DAYS, A LIST OF ALL TENANT SECURITY OBLIGATIONS.
2. WITHIN THIRTY-FIVE DAYS, REIMBURSEMENT FOR ALL MONIES REMAINING IN THE PROPERTY ACCOUNTS MAINTAINED BY THE PROPERTY MANAGEMENT FIRM, EXCEPT FOR MONIES NEEDED FOR UNPAID OBLIGATIONS INCURRED DURING THE TERM OF THE PROPERTY MANAGEMENT AGREEMENT.
3. WITHIN SEVENTY-FIVE DAYS, A FINAL ACCOUNTS RECIVABLE AND PAYABLE LIST.
4. WITHIN SEVENTY-FIVE DAYS, A FINAL BANK ACCOUNT RECONCILIATION.

“EXHIBIT A”

**List of Owner’s Properties to be Managed by Manager
Or see attached tax records**

OWNER’S INITIALS _____

Brokerage File/Log No. _____ Manager’s Initials _____ Broker’s Initials _____ Date _____
MO/DA/YR

Rev 9/21/2005
7/18/2008
2/8/2009