TEXAS ASSOCIATION OF REALTORS®

RESIDENTIAL LEASING AND PROPERTY MANAGEMENT AGREEMENT

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1. PARTIES:

A. The parties to this agreement are:

Owner: **HAPPY HOMEOWNER**

Address: **123 MERLOTTE LANE**
City, State, Zip: **SPRING, TX 77388**
Hm. Phone: **(123)456-7890** Wk. Ph: _____ Mobile: _____
Fax: _____ E-Mail: _____
Additional Phones or Contact Information: _____

Broker: **STAR REALTY PROPERTY MANAGEMENT, LLC**
Address: **19627 INTERSTATE 45 N. #310**
City, State, Zip: **SPRING, TX 77388**
Phone: **(281)355-7827** Fax: **(281)882-8700**
E-Mail: **mkallus@starrealtypm.com**

B. If Owner is not an individual, Owner is a: ☐ estate ☐ corporation ☐ limited liability company (LLC) ☐ trust ☐ partnership ☐ limited liability partnership (LLP) ☐ other _____ , which was chartered or created in _____ (State). The individual signing this agreement for the owner represents to Broker that he or she has the authority to bind Owner to this agreement, to act for Owner, and is acting under his capacity as _____ (title) for the Owner.

C. Owner appoints Broker as Owner's sole and exclusive leasing and managing agent of the real property described in Paragraph 2 and in any addendum to this agreement.

2. PROPERTY: "Property" means:

Address *(include unit nos.)* **123 KINGS LANDING LN., SPRING, TX 77388**

legally described as: **LEGAL DESCRIPTION**

in **HARRIS** County, Texas, together with the following non-real-property items: **RANGE, OVEN, DISHWASHER, WINDOW COVERINGS** .

"Property" also includes any other Property described in any attached Multiple Property Addendum.

3. TERM:

A. Primary Term: The primary term of this agreement begins and ends as follows:

Commencement Date: **February 7, 2017** Expiration Date: **February 28, 2018**

B. Automatic Extension: Unless either party provides written notice of termination to the other party at least 30 days before the Expiration Date, this agreement will automatically extend on a monthly basis until either party terminates by providing at least 30 days written notice to the other party.

C. Effective Services: If Broker determines that Broker cannot continue to effectively provide leasing and management services to Owner for any reason at any time during this agreement Broker may terminate this agreement by providing at least 30 days written notice to Owner.

D. Fees Upon Termination: At the time this agreement ends, Owner must pay Broker amounts specified in Paragraph 12.

4. AUTHORITY OF BROKER:

A. Leasing and Management Authority: Owner grants to Broker the following authority which Broker may exercise when and to the extent Broker determines to be in Owner's interest:
(1) advertise the Property for lease at Owner's expense by means and methods that Broker determines are reasonably competitive, including but not limited to creating and placing advertisements with interior and exterior photographic and audio-visual images of the Property and related information in any media and the Internet;
(2) place “For Lease” signs or other signs on the Property in accordance with applicable laws, regulations, ordinances, restrictions, and owners' association rules;
(3) remove all other signs offering the Property for sale or lease;
(4) submit the Property as a listing with one or more Multiple Listing Services (MLS) at any time the Property is marketed for lease and to change or terminate such listings;
(5) authorize other brokers, their associates, inspectors, appraisers, and contractors to access the Property at reasonable times for purposes contemplated by this agreement and to lend keys and disclose security codes to such persons to enter the Property;
(6) duplicate keys and access devices, at Owner's expense, to facilitate convenient and efficient showings of the Property and to lease the Property;
(7) place a keybox on the Property;
(8) employ scheduling companies to schedule showings by other brokers at any time the Property is marketed for lease;
(9) verify information and references in rental applications from prospective tenants;
(10) negotiate and execute leases on Owner's behalf for the Property at market rates and on competitively reasonable terms for initial terms of not less than 12 months and not more than 24 months and in accordance with any instructions in Paragraph 20;
(11) negotiate and execute any amendments, extensions, or renewals to any leases for the Property on Owner's behalf;
(12) terminate leases for the Property, negotiate lease terminations, and serve notices of termination;
(13) collect and deposit for Owner rents, security deposits, and other funds related to the Property in a trust account and pay from that account: (a) any compensation and reimbursements due Broker under this agreement; and (b) other persons as this agreement may authorize.
(14) account for security deposits that Broker holds in trust to any tenants in the Property in accordance with applicable law, this agreement, and any lease of the Property and make deductions from the deposits in accordance with the lease and applicable law;
(15) collect administrative charges including but not limited to, application fees, returned check fees, and late charges from tenants in the Property or from prospective tenants;
(16) institute and prosecute, at Owner's expense, actions to: (a) evict tenants in the Property; (b) recover possession of the Property; or (c) recover lost rent and other damages;
(17) settle, compromise, or withdraw any action described in Paragraph 4A(16);
(18) negotiate and make reasonable concessions to tenants or former tenants in the Property;
(19) report payment histories of tenants in the Property to consumer reporting agencies;
(20) obtain information from any holder of a note secured by a lien on the Property and any insurance company insuring all or part of the Property;

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(21) hire contractors to repair, maintain, redecorate, or alter the Property provided that Broker does not expend more than $ **$500.00** for any single repair, maintenance item, redecoration, or alteration without Owner's consent;
(22) hire contractors to make emergency repairs to the Property without regard to the expense limitation in Paragraph 4A(21) that Broker determines are necessary to protect the Property or the health or safety of an ordinary tenant;
(23) contract, at Owner's expense, in either Broker's or Owner's name, for utilities and maintenance to the Property during times that the Property is vacant, including but not limited to, electricity, gas, water, alarm monitoring, cleaning, pool and spa maintenance, yard maintenance, and other regularly recurring expenses that Broker determines are reasonable to maintain and care for the Property; and
(24) perform other necessary services related to the leasing and management of the Property.

B. Record Keeping: Broker will:
(1) maintain accurate records related to the Property and retain such records for not less than 4 years;
(2) file reports with the Internal Revenue Service related to funds received on behalf of Owner under this agreement (for example, Form 1099); and
(3) remit, each month, the following items to Owner: (a) funds collected by Broker for Owner under this agreement, less authorized deductions; and (b) a statement of receipts, disbursements, and charges. Owner may instruct Broker in writing to remit the items to another person or address.

C. Security Deposits:
(1) During this agreement, Broker will maintain security deposits received from tenants in a trust account and will account to the tenants for the security deposits in accordance with the leases for the Property.
(2) Except as stated in Paragraph 4(I), after this agreement ends, Broker will deliver to Owner or the Owner's designee the security deposit held by Broker under an effective lease of the Property, less deductions authorized by this agreement, and will send written notice to the tenant that states all of the following:
(a) that this agreement has ended;
(b) the exact dollar amount of the security deposit;
(c) the contact information for the Owner or the Owner's designee; and
(d) that Owner is responsible for accounting for and returning the tenant's security deposit.
(3) If Broker complies with this Paragraph 4C, Owner will indemnify Broker from any claim or loss from a tenant for the return of a security deposit. This Paragraph 4C survives termination of this agreement.

D. Deductions and Offset: Broker may disburse from any funds Broker holds in a trust account for Owner:
(1) any compensation due Broker under this agreement;
(2) any funds Broker is authorized to expend under this agreement; and
(3) any reimbursement Broker is entitled to receive under this agreement.

E. Insurance and Attorneys:
(1) Broker may not file a claim for a casualty loss with the carrier insuring the Property. Broker may communicate with the carrier to facilitate the processing of any claim Owner may file or other matters that Owner instructs Broker to communicate to the carrier.
(2) Broker may not directly or indirectly employ or pay a lawyer to represent Owner. Broker may communicate with Owner's attorney in accordance with Owner's instructions.

F. Information about Trust Accounts, MLS, and Keybox:

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(1) Trust Accounts: A trust account must be separate from Broker's operating account and must be designated as a trust, property management, or escrow account or other similar name. Broker may maintain one trust account for all properties Broker leases and manages for others.

(2) MLS: MLS rules require Broker to accurately and timely submit all information the MLS requires for participation including leased data. Subscribers to the MLS may use the information for market evaluation or appraisal purposes. Subscribers are other brokers and other real estate professionals such as appraisers and may include the appraisal district. Any information filed with the MLS becomes the property of the MLS for all purposes. *Submission of information to MLS ensures that persons who use and benefit from the MLS also contribute information.*

(3) Keybox: A keybox is a locked container placed on the Property that holds a key to the Property. A keybox makes it more convenient for brokers, their associates, inspectors, appraisers, and contractors to show, inspect, or repair the Property. The keybox is opened by a special combination, key, or programmed device, so that authorized persons may enter the Property. Using a keybox will probably increase the number of showings, but involves risks (for example, unauthorized entry, theft, property damage, or personal injury). *Neither the Association of REALTORS® nor MLS requires the use of a keybox.*

G. Performance Standard: Broker will:
(1) use reasonable care when exercising Broker's authority and performing under this agreement; and
(2) exercise discretion when performing under this agreement in a manner that Broker believes to be in Owner's interest, provided that Broker will treat any tenant honestly and fairly.

H. Inability to Contact Owner: If Broker is unable to contact Owner for 2 days, Broker is authorized to contact the person below for the sole purpose of attempting to reestablish contact with Owner.

Name: EMERGENCY CONTACT Phone: _____
Address: _____
E-mail: _____

I. Foreclosure: If Broker receives notice of the Owner's delinquency in the payment of: (1) any mortgage or other encumbrance secured by the Property; (2) property taxes; (3) property insurance; or (4) owners' association fees, Broker may give Owner 15 days to cure the delinquency during which period Owner authorizes Broker to freeze any funds held by Broker and no disbursements will be made to Owner related to this agreement or the Property. If after the 15 day period, the delinquency is not cured and the foreclosure process is initiated, Owner authorizes Broker to deduct from any other funds being held by Broker for Owner any remaining Broker Fees or funds due to Broker related to services performed under this agreement. Additionally, Owner authorizes Broker to return any security deposit being held by Broker to a tenant of the Property in addition to any prorated amount of rent being held by Broker and Broker may terminate this agreement. This paragraph does not preclude the Broker from seeking any other remedies under this agreement or at law that may be available to the Broker.

5. LEGAL COMPLIANCE: The parties will comply with all obligations, duties, and responsibilities under the Texas Property Code, fair housing laws, and any other statute, administrative rule, ordinance, or restrictive covenant applicable to the use, leasing, management, or care of the Property.

6. RESERVES: Upon execution of this agreement, Owner will deposit the following amount with Broker to be held in a trust account as a reserve for Owner: $ 500.00 for each unit within the Property or Properties managed by Broker under this agreement. Broker may, at Broker's discretion, use the reserve to pay any expense related to the leasing and management of the Property(ies) (including but not limited to Broker's fees). If the balance of the reserve becomes less than the amount stated, at any time, Broker may: (a) deduct an amount that will bring the balance to the amount stated from any subsequent rent received on behalf of Owner and deposit the amount into the reserve; or (b) notify Owner that Owner must promptly deposit additional funds with Broker to bring the balance to the amount stated.

7. ADVANCES: Owner will, in advance, provide Broker all funds necessary for the leasing and management of the Property. Broker is not obligated to advance any money to Owner or to any other person.

8. OWNER'S REPRESENTATIONS:

A. General:
(1) Except as disclosed in Paragraph 20, Owner represents that:
(a) Owner has fee simple title to and peaceable possession of the Property and all its improvements and fixtures, unless rented, and the legal capacity to lease the Property;
(b) Owner is not bound by: (i) another agreement with another broker for the sale, exchange, lease, or management of the Property that is or will be in effect during this agreement; or (ii) an agreement or covenant that prohibits owner from leasing the property;
(c) no person or entity has any right to purchase, lease, or acquire the Property by an option, right of refusal, or other agreement;
(d) Owner is not delinquent in the payment of any property taxes, owners' association fees, property insurance, mortgage, or any encumbrance on or affecting the Property;
(e) the Property is not subject to the jurisdiction of any court;
(f) the optional user fees for the use of common areas (for example, pool or tennis courts) in the Property's subdivision are: _____ ; and
(g) all information related to the Property that Owner provides to Broker is true and correct to the best of Owner's knowledge.

(2) Broker may disclose to a tenant or to a prospective tenant any information related to the representations made in this Paragraph 8.

B. Property Condition: Owner and Broker are obligated under law to disclose to a tenant or to a prospective tenant any known condition that materially and adversely affects the health or safety of an ordinary tenant. Owner is obligated under the Property Code to repair any such condition for a tenant. Owner represents that:
(1) any pool or spa and any required enclosures, fences, gates, and latches comply with all applicable laws and ordinances; and
(2) Owner is not aware of a condition concerning the Property that materially affects the health or safety of an ordinary tenant, except as stated below, in this agreement, or in any addendum:

_____
_____
_____.

C. Lead-Based Paint: If the Property was built before 1978, Owner will complete and attach to this agreement an addendum regarding lead-based paint and lead-based paint hazards that will be made part of any lease of the Property. If the Property was built before 1978, federal law requires the Owner (before a tenant is obligated under a lease) to: (1) provide the tenant with the federally approved pamphlet on lead poisoning prevention; (2) disclose the presence of any known lead-based paint or hazards in the Property; and (3) deliver all records and reports to the tenant related to such paint or hazards.

9. OWNER'S COOPERATION: Owner agrees to:
A. cooperate with Broker to facilitate the showing, marketing, and lease of the Property;
B. not rent or lease the Property to anyone without Broker's prior written approval;
C. not negotiate with any prospective tenant who might contact Owner directly, but refer all prospective tenants to Broker;
D. not deal with or negotiate with any tenant in the Property concerning any matter related to the management or leasing of the Property but refer all such dealings to Broker;
E. not enter into a listing agreement or property management agreement with another broker for the rental, leasing, or management of the Property to become effective during this agreement;
F. provide Broker with copies of any existing leases or rental agreements related to the Property;
G. provide Broker with keys and access devices to the Property;

H. provide Broker with copies of all warranties related to the Property or any item in the Property;
I. tender to Broker any security deposits paid by any existing tenants in the Property;
J. complete any disclosures or notices required by law or a lease of the Property;
K. amend applicable notices and disclosures if any material change occurs during this agreement; and
L. notify Broker if Owner becomes delinquent in the payment of: (1) any mortgage or other encumbrance secured by the Property; (2) property taxes; (3) property insurance; or (4) owners' association fees.

10. INSURANCE:

A. At all times during this agreement, Owner must maintain in effect:
(1) a public liability insurance policy that names Broker as a co-insured or additional insured and covers losses related to the Property in an amount of not less than $ 300,000.00 on an occurrence basis; and
(2) an insurance policy for the Property in an amount equal to the reasonable replacement cost of the Property's improvements and that contains endorsements which contemplate the leasing of the Property with vacancies between lease terms.

B. Not later than the 15th day after the Commencement Date, Owner must deliver to Broker copies of certificates of insurance evidencing the coverage required under Paragraph 10A. If the coverage changes at any time during this agreement, Owner must deliver to Broker a copy of the insurance certificate evidencing the change not later than 10 days after the change.

C. If Owner fails to comply with Paragraphs 10A or 10B, Broker may:
(1) purchase insurance that will provide Broker the same coverage as the required insurance under Paragraph 10A(1) and Owner must promptly reimburse Broker for such expense; or
(2) exercise Broker's remedies under Paragraph 17.

11. BROKER'S FEES: All fees to Broker under this agreement are payable in HARRIS County, Texas. This Paragraph 11 survives termination or expiration of this agreement with regard to fees earned during this agreement which are not payable until after its termination. Broker may deduct any fees under this Paragraph 11 from any funds Broker holds in trust for Owner. If more than one property or unit is made part of and subject to this agreement, each of the provisions below will apply to each property or unit separately.

[X] A. Management Fees: Each month Owner will pay Broker the greater of $ 80.00 (minimum management fee) or: *(Check one box only.)*
[X] (1) 8.000 % of the gross monthly rents collected that month.
[ ] (2) _____ .
A vacancy in the Property or failure by a tenant to pay rent does not excuse payment of the minimum management fee. Management fees under this Paragraph 11A are earned daily and are payable not later than the last day of each month.

[X] B. Leasing Fees for New Tenancies: Each time the Property is leased to a new tenant, Owner will pay Broker a leasing fee equal to: *(Check one box only.)*
[X] (1) 100.000 % of one full month's rent to be paid under the lease.
[ ] (2) _____ % of the gross rents to be paid under the lease.
[ ] (3) _____ .
The leasing fees under this Paragraph 11B are earned and payable at the time the lease is executed.

[X] C. Renewal or Extension Fees: Each time a tenant in the Property renews or extends a lease, Owner will pay Broker a renewal or extension fee equal to: *(Check one box only.)*
[ ] (1) _____ % of one full month's rent to be paid under the renewal or extension.
[ ] (2) _____ % of the gross rents to be paid under the renewal or extension.
[X] (3) 250.00 .
The renewal or extension fees under this Paragraph 11C are earned and payable at the time the renewal or extension is effective. For the purposes of this paragraph, a new lease for the same

Property with the same tenant then occupying the Property is an extension or renewal. This Paragraph 11C does not apply to month-to-month renewals or month-to-month extensions.

[X] D. Service Fees: Each time Broker arranges for the Property to be repaired, maintained, redecorated, or altered as permitted by this agreement, Owner will pay Broker a service fee equal to: *(Check one box only.)*

[X] (1) 5.000 % of the total cost of each repair, maintenance, alteration, or redecoration.

[ ] (2) _____ .

The service fees under this Paragraph 11D are earned at the time the repair, maintenance, redecoration, or alteration is made and are payable upon Owner's receipt of Broker's invoice.

[X] E. Interest on Trust Accounts: Any trust account Broker maintains under this agreement may be an interest-bearing or income producing account. Broker may retain any interest or income from such account as compensation under this agreement. Broker will remove any interest or income payable under this Paragraph 11E from the trust account not later than the 30th day after the interest or income is paid.

[X] F. Administrative Fees: If Broker collects administrative charges from tenants or prospective tenants, including but not limited to, application fees, returned check fees, or late charges (as authorized under Paragraph 4A), Broker will retain such fees as compensation under this agreement. The administrative fees under this Paragraph 11F are earned and payable at the time Broker collects such fees.

[X] G. Fees Related to Insurance and Legal Matters: If Owner requests or instructs Broker to coordinate or communicate with any insurance carrier regarding any casualty to or on the Property or if Owner requests or instructs Broker to appear in any legal proceeding or deposition related to the Property (including, but not limited to, evictions, tenant disputes, security deposit disputes, and suits for damages), Owner will pay Broker $ 95.00 per HOUR for Broker's time expended in such matters and in preparation of such matters. Fees under this Paragraph 11G are earned at the time the services are rendered and payable upon Owner's receipt of Broker's invoice.

[X] H. Fees in the Event of a Sale:

(1) Fee if a Tenant Purchases Property: If at any time during this agreement or within 90 days after it ends, Owner sells the Property to a tenant who occupied the Property during the term of this agreement, Owner will pay Broker a fee equal to: *(Check one box only.)*

[X] (a) 5.000 % of the sales price.

[ ] (b) _____ .

Fees under this Paragraph 11H(1) are earned at the time Owner agrees to sell the Property and are payable at the time the sale closes. Broker will waive any fees due under Paragraph 12 at the time the sale closes.

(2) Fee if Buyer is Procured through Broker: If during this agreement, Owner agrees to sell the Property to a person other than a tenant who occupied the Property and Broker procures the buyer, directly or through another broker, Owner will pay Broker a fee equal to*: (Check one box only.)*

[X] (a) 6.000 % of the sales price.

[ ] (b) _____ .

Fees under this Paragraph 11H(2) are earned at the time Owner agrees to sell the Property and are payable at the time the sale closes. Broker will waive any fees due under Paragraph 12 at the time the sale closes.

(3) Sale Coordination Fees: If at any time during this agreement Owner agrees to sell the Property and Broker is not paid a fee under Paragraph 11H(1) or (2), Owner will pay Broker $95 per hour _____ for Broker's time and services to coordinate showings, inspections, appraisals, repairs, and other related matters. Fees under this Paragraph 11H(3) are earned at the time such services are rendered and payable upon Owner's receipt of Broker's invoice.

(4) Definition: “Sell” means to agree to sell, convey, transfer or exchange any interest in the Property whether by oral or written agreement or option.

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(5) Separate Listing Agreement Controls: If Owner sells the Property and pays Broker the fee under a separate written listing agreement between Owner and Broker: (a) this Paragraph 11H will not apply; and (b) Broker will waive any fees due under Paragraph 12 at the time the sale closes.

☐ I. Other: _____

_____

_____

_____.

12. FEES UPON TERMINATION: At the time this agreement ends, Owner must pay Broker:

A. all amounts due Broker under this agreement; and

B. if the Property is leased to a tenant on the date this agreement ends and Owner terminates this agreement, an amount equal to the lesser of:

(a) the management fees that would accrue over the remainder of the term of the lease; or

(b) $ 500.00 .

If more than one property or unit is made part of and subject to this agreement, this paragraph applies only to those properties or units then leased and applies to each property or unit separately.

13. EXPENSE REIMBURSEMENT: Upon Owner's receipt of Broker's invoice, Owner will reimburse Broker the following expenses that are related to the leasing or management of the Property: (a) copy charges; (b) charges for long distance telephone calls or facsimile transmissions; (c) regular, express, or certified mail charges; (d) notary fees; (e) photos and videos; (f) reasonable travel expenses, including but not limited to mileage reimbursement (at the standard mileage rate published by the IRS), parking expenses, and tolls; and (g) any other expenditures Broker is authorized to make under this agreement for Owner or that Owner otherwise authorizes Broker to make for Owner.

14. FUNDS RECEIVED AFTER TERMINATION: Except as provided in Paragraph 4(I), if Broker receives any funds on behalf of Owner after this agreement ends (for example, rent, damages, past due amounts, and others), Broker will deposit those funds in Broker's trust account and will: (a) pay 10.000 % of the funds received to Broker as compensation for services (for example, research, accounting, communicating, and processing) rendered at that time; and (b) pay the balance of the funds to Owner. This provision survives termination of this agreement.

15. COOPERATION WITH OTHER BROKERS: When the Property is marketed for lease, Broker will allow other brokers to show the Property to prospective tenants. If the other broker procures a tenant who leases the Property, Broker will offer to pay the other broker a fee out of the compensation Broker receives under Paragraph 11. As of the date this agreement is signed, Broker's policy is to offer other brokers the following amounts. Broker may change the amounts disclosed below without notice, provided that Broker will offer competitively reasonable amounts to other brokers.

A. MLS Participants: If the other broker is a participant in the MLS in which the listing is filed, Broker will offer to pay the other broker:

(1) if the other broker represents the tenant *(complete only one)*: 50.000 % of one month's rent to be paid under a lease; _____ % of all rents to be paid under a lease; or $ _____ ; and

(2) if the other broker is a subagent *(complete only one)*: 50.000 % of one month's rent to be paid under a lease; _____ % of all rents to be paid under a lease; or $ _____ .

B. Non-MLS Brokers: If the other broker is not a participant in the MLS in which the listing is filed, Broker will offer to pay the other broker:

(1) if the other broker represents the tenant *(complete only one)*: 50.000 % of one month's rent to be paid under a lease; _____ % of all rents to be paid under a lease; or $ _____ ; and

(2) if the other broker is a subagent *(complete only one)*: 50.000 % of one month's rent to be paid under a lease; _____ % of all rents to be paid under a lease; or $ _____ .

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16. LIABILITY AND INDEMNIFICATION:

A. Broker is not responsible or liable in any manner for personal injury to any person or for loss or damage to any person's real or personal property resulting from any act or omission not caused by Broker's negligence, including but not limited to injuries or damages caused by:
(1) other brokers, their associates, inspectors, appraisers, and contractors who are authorized to access the Property;
(2) acts of third parties (for example, vandalism, theft, or other criminal acts);
(3) freezing or leaking water pipes;
(4) failure to properly water the foundation of the Property;
(5) a dangerous condition or environmental condition on the Property; or
(6) the Property's non-compliance with any law or ordinance.

B. Broker is not responsible or liable in any manner for:
(1) any late fees or other charges Owner incurs to any creditor caused by late or insufficient payments by any tenant in the Property; or
(2) damages to Owner caused by a tenant's breach of a lease.

C. Owner agrees to protect, defend, indemnify, and hold Broker harmless from any damage, costs, attorney's fees, and expenses that:
(1) are caused by Owner, negligently or otherwise;
(2) arise from Owner's failure to disclose any material or relevant information about the Property;
(3) are caused by Owner giving incorrect information to any person; or
(4) are related to the management of the Property and are not caused by Broker, negligently or otherwise.

D. Owner is responsible and liable for all contracts and obligations related to the Property (for example, maintenance, service, repair and utility agreements) entered into before or during this agreement by Owner or by Broker under Broker's authority under this agreement. Owner agrees to hold Broker harmless from all claims related to any such contracts.

17. DEFAULT: A party is in default if the party fails to cure a breach within 10 days after receipt of written demand from the other party. If either party is in default, the non-defaulting party may: (a) terminate this agreement by providing at least 10 days written notice; (b) recover all amounts due to the non-defaulting party under this agreement; (c) recover reasonable collection costs and attorney's fees; and (d) exercise any other remedy available at law. Broker is also entitled to recover any compensation Broker would have been entitled to receive if Owner did not breach this agreement.

18. MEDIATION: The parties agree to negotiate in good faith in an effort to resolve any dispute related to this agreement that may arise between the parties. If the dispute cannot be resolved by negotiation, the dispute will be submitted to mediation. The parties to the dispute will choose a mutually acceptable mediator and will share the cost of mediation equally.

19. ATTORNEY'S FEES: If Owner or Broker is a prevailing party in any legal proceeding brought as a result of a dispute under this agreement or any transaction related to or contemplated by this agreement, such party will be entitled to recover from the non-prevailing party all costs of such proceeding and reasonable attorney's fees.

20. SPECIAL PROVISIONS: 1. See attached Special Provisions Addendum.

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21. ADDENDA: Incorporated into this agreement are the following addenda, exhibits, and other information:

- [X] A. Information About Brokerage Services
- [ ] B. Addendum Regarding Lead-Based Paint
- [X] C. Multiple Property Addendum
- [X] D. Owner's Notice Concerning Condition of Property under Property Management Agreement
- [X] E. Property Manager's Inventory and Condition Report
- [ ] F. Addendum for Authorization to Act for Owner before Owners' Association
- [ ] G. Copy of Rules and Regulations of an Owners' Association
- [ ] H. Copy of the Owners' Association Bylaws and Deed Restrictions affecting the Property
- [X] I. **W-9, AUTHORIZATION AGREEMENT FOR DIRECT DEPOSIT**

Note: Complete and deliver to Broker IRS W-9 Form or similar form. Broker maintains a privacy policy that is available upon request.

22. AGREEMENT OF PARTIES:

A. Entire Agreement: This document contains the entire agreement of the parties and may not be changed except by written agreement.

B. Assignments: Neither party may assign this agreement without the written consent of the other party.

C. Binding Effect: Owner's obligation to pay Broker an earned fee is binding upon Owner and Owner's heirs, administrators, executors, successors, and permitted assignees.

D. Joint and Several: All Owners executing this agreement are jointly and severally liable for the performance of all its terms. Any act or notice to, refund to, or signature of, any one or more of the Owners regarding any term of this agreement, its extension, its renewal, or its termination is binding on all Owners executing this agreement.

E. Governing Law: Texas law governs the interpretation, validity, performance, and enforcement of this agreement.

F. Severability: If a court finds any clause in this agreement invalid or unenforceable, the remainder of this agreement will not be affected and all other provisions of this agreement will remain valid and enforceable.

G. Context: When the context requires, singular nouns and pronouns include the plural.

H. Notices: Notices between the parties must be in writing and are effective when sent to the receiving party's address, fax, or e-mail address specified in Paragraph 1.

I. Copyright: If an active REALTOR® member of the Texas Association of REALTORS® does not negotiate this agreement as a party or for one of the parties, with or without the assistance of an active member of the State Bar of Texas, this agreement is voidable at will by Owner.

23. INFORMATION:

A. Broker's fees or the sharing of fees between brokers are not fixed, controlled, recommended, suggested, or maintained by the Association of REALTORS®, MLS, or any listing service.

B. In accordance with fair housing laws and the National Association of REALTORS® Code of Ethics, Broker's services must be provided and the Property must be shown and made available to all persons without regard to race, color, religion, national origin, sex, disability, familial status, sexual orientation, or gender identity. Local ordinances may provide for additional protected classes (for example, creed, status as a student, marital status, or age).

C. Owner may review the information Broker submits to an MLS or other listing service.

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D. Broker advises Owner to remove or secure jewelry, prescription drugs, and other valuables.

E. The Property Code requires the Property to be equipped with certain types of locks and security devices, including (with some exceptions): (1) window latches on each window; (2) a keyed doorknob lock or keyed deadbolt lock on each exterior door; (3) a sliding door pin lock on each exterior sliding glass door of the dwelling; (4) a sliding door handle latch or a sliding door security bar on each exterior sliding glass door of the dwelling; and (5) a keyless bolting device and a door viewer on each exterior door of the dwelling. The Property Code also requires smoke alarms in certain locations. The Property Code requires the security devices to be rekeyed and the smoke alarms to be tested each time a new tenant occupies the Property.

F. Broker cannot give legal advice. READ THIS AGREEMENT CAREFULLY. If you do not understand the effect of this agreement, consult an attorney BEFORE signing.

STAR REALTY PROPERTY MANAGEMENT, LLC
Broker's Printed Name **9005781** License No.

☐ Broker's Signature Date
☒ Broker's Associate's Signature, as an authorized agent of Broker

MARK A. KALLUS
Broker's Associate's Printed Name, if applicable

HAPPY HOMEOWNER
Owner's Printed Name

Owner's Signature Date

Owner's Printed Name

Owner's Signature Date

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Paragraph 20, Special Provisions and Addendum

As an Addendum to the foregoing Residential Leasing and Property Management Agreement (the "Agreement") and continuation of Paragraph 20, Special Provisions of the Agreement, Owner and Broker agree to the following additional provisions which control over any provision in the Agreement in the event of any conflict. Owner and Broker agree:

1. Broker will remit funds to Owner by electronic deposits into Owner's designated account.

   Agreed: _____ Owner _____ Broker

2. Paragraph 4.H. is changed as follows. At the end of the Paragraph 4.H the following is added: "After making foregoing attempts during the contact period, Broker my exercise Broker's discretion in resolving the issue for which the contact was attempted without recourse by Owner."

   Agreed: _____ Owner _____ Broker

3. Paragraph 11.D is changed as follows. At the end of Paragraph 11.D the following provision is added. "Owner agrees that the Broker may retain Star Remodeling L.L.C. to perform repairs, construction, maintenance or other services for Owner's Property. Owner approves hiring Star Remodeling L.L.C. for such services and acknowledges that Broker has informed Owner that that the members who own Star Remodeling L.L.C. are also the shareholders, officers and directors of Star Realty Property Management, LLC. Star Remodeling L.L.C. agrees to charge fair and competitive fees for any services performed for Owner's Property.

   Agreed: _____ Owner _____ Broker

4. Paragraph 11.H.1(a) and (b) are changed as follows: "Broker will receive a 5% commission if Broker represents both Owner and tenant or if tenant is not represented. Broker will receive a 6% commission if the tenant is represented by another agent.

   Agreed: _____ Owner _____ Broker

Owner_____ Broker_____

Signed simultaneously with the Agreement Signed simultaneously with the Agreement

TEXAS ASSOCIATION OF REALTORS®

MULTIPLE PROPERTY ADDENDUM

USE OF THIS FORM BY PERSONS WHO ARE NOT MEMBERS OF THE TEXAS ASSOCIATION OF REALTORS® IS NOT AUTHORIZED.

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ADDENDUM TO LEASING AND MANAGEMENT AGREEMENT BETWEEN THE UNDERSIGNED PARTIES COMMENCING February 7, 2017

In addition to the Property described in Paragraph 2 of the above-referenced agreement, the term "Property" also includes the following properties.

Address (*include unit nos.*) _____

_____

legally described as: _____

_____

in _____ County, Texas, together with the following non-real-property items: _____ .

Notes: _____

Address (*include unit nos.)* _____

_____

legally described as: _____

_____

in _____ County, Texas, together with the following non-real-property items: _____ .

Notes: _____

Address (*include unit nos.*) _____

_____

legally described as: _____

_____

in _____ County, Texas, together with the following non-real-property items: _____ .

Notes: _____

Address (*include unit nos.*) _____

_____

legally described as: _____

_____

in _____ County, Texas, together with the following non-real-property items: _____ .

Notes: _____

STAR REALTY PROPERTY MANAGEMENT, LLC
Broker's Printed Name

By: _____
Broker's Associate's Signature Date
MARK A. KALLUS

HAPPY HOMEOWNER
Owner

By: _____
Date

_____
Owner

By: _____
Date

Star Realty Property Management, LLC, 19627 Interstate 45 N Ste 310 Spring, TX 77388 Phone: 281-355-7827 Fax: 281-882-8700 SRPM LLC
Mark Kallus
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EQUAL HOUSING OPPORTUNITY

Information About Brokerage Services

Texas law requires all real estate licensees to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.

TYPES OF REAL ESTATE LICENSE HOLDERS:

- **A BROKER** is responsible for all brokerage activities, including acts performed by sales agents sponsored by the broker.
- **A SALES AGENT** must be sponsored by a broker and works with clients on behalf of the broker.

A BROKER'S MINIMUM DUTIES REQUIRED BY LAW (A client is the person or party that the broker represents):

- Put the interests of the client above all others, including the broker's own interests;
- Inform the client of any material information about the property or transaction received by the broker;
- Answer the client's questions and present any offer to or counter-offer from the client; and
- Treat all parties to a real estate transaction honestly and fairly.

A LICENSE HOLDER CAN REPRESENT A PARTY IN A REAL ESTATE TRANSACTION:

AS AGENT FOR OWNER (SELLER/LANDLORD): The broker becomes the property owner's agent through an agreement with the owner, usually in a written listing to sell or property management agreement. An owner's agent must perform the broker's minimum duties above and must inform the owner of any material information about the property or transaction known by the agent, including information disclosed to the agent or subagent by the buyer or buyer's agent.

AS AGENT FOR BUYER/TENANT: The broker becomes the buyer/tenant's agent by agreeing to represent the buyer, usually through a written representation agreement. A buyer's agent must perform the broker's minimum duties above and must inform the buyer of any material information about the property or transaction known by the agent, including information disclosed to the agent by the seller or seller's agent.

AS AGENT FOR BOTH - INTERMEDIARY: To act as an intermediary between the parties the broker must first obtain the written agreement of each party to the transaction. The written agreement must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. A broker who acts as an intermediary:

- Must treat all parties to the transaction impartially and fairly;
- May, with the parties' written consent, appoint a different license holder associated with the broker to each party (owner and buyer) to communicate with, provide opinions and advice to, and carry out the instructions of each party to the transaction.
- Must not, unless specifically authorized in writing to do so by the party, disclose:
  - that the owner will accept a price less than the written asking price;
  - that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
  - any coincidental information or any other information that a party specifically instructs the broker in writing not to disclose, unless required to do so by law.

AS SUBAGENT: A license holder acts as a subagent when aiding a buyer in a transaction without an agreement to represent the buyer. A subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first.

TO AVOID DISPUTES, ALL AGREEMENTS BETWEEN YOU AND A BROKER SHOULD BE IN WRITING AND CLEARLY ESTABLISH:

- The broker's duties and responsibilities to you, and your obligations under the representation agreement.
- Who will pay the broker for services provided to you, when payment will be made and how the payment will be calculated.

LICENSE HOLDER CONTACT INFORMATION: This notice is being provided for information purposes. It does not create an obligation for you to use the broker's services. Please acknowledge receipt of this notice below and retain a copy for your records.

STAR REALTY PROPERTY MANAGEMENT, LLC	**9005781**	**mkallus@starrealtypm.com**	**(281)355-7827**
Licensed Broker /Broker Firm Name or Primary Assumed Business Name	License No.	Email	Phone
BILLY E. KALLUS	**443579**	**bkallus@fkycpa.com**	**(281)355-7827**
Designated Broker of Firm	License No.	Email	Phone
Licensed Supervisor of Sales Agent/ Associate	License No.	Email	Phone
MARK A. KALLUS	**432847**	**mkallus@starrealtypm.com**	**(281)831-3326**
Sales Agent/Associate's Name	License No.	Email	Phone

Buyer/Tenant/Seller/Landlord Initials Date

Regulated by the Texas Real Estate Commission **Information available at www.trec.texas.gov**

IABS 1-0 Date

PayLease Inc.
5790 Miramar Rd.
Suite 201
San Diego, CA 92121

Toll Free: (866) Pay-Lease
Phone: (858) 657-9391
Fax: (866) 492-2883
E-mail: support@paylease.com

Direct Deposit for Owners/Vendors

***Name of Management Company:**_____

Check One of the Following: ☐ **New Enrollment** ☐ **Add or Change Checking Account**

_____

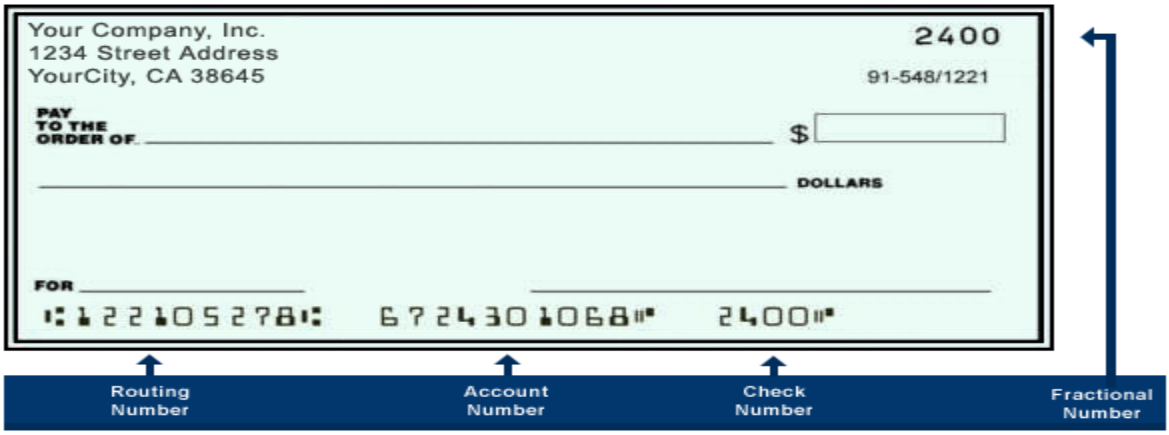
Company/Individual Name **Telephone #** **E-mail Address**

_____

Address **City** **State** **Zip**

_____

Bank Name **Routing Number (9 digits)** **Checking Account #**



***Please attach a voided check to top of check sample above**
****Please make sure a voided check from the account is given and not a deposit slip**

I hereby authorize PayLease Inc. to deposit any amounts owed to me, as instructed by the Management Company listed above, by initiating credit entries to my account at the financial institution indicated on this form. In the event that PayLease deposits funds erroneously into my account, I authorize PayLease to debit my account for an amount not to exceed the original amount of the erroneous credit.

Owner/Vendor:

_____
Print Name

_____
Signature

_____
Date

*Please Fax or Mail this form to your Property Management Company to be set up

TEXAS ASSOCIATION OF REALTORS®

OWNER'S NOTICE CONCERNING CONDITION OF PROPERTY UNDER PROPERTY MANAGEMENT AGREEMENT

©Texas Association of REALTORS®, Inc. 2004

CONCERNING THE PROPERTY AT 123 KINGS LANDING LN. SPRING, TX 77388

OWNER IS TO COMPLETE THIS FORM TO THE BEST OF THE OWNER'S KNOWLEDGE. THIS NOTICE IS NOT A WARRANTY OF ANY KIND.

Section 1. The Property has the items marked below: (Mark Yes (Y), No (N), or Unknown (U).)

Item	Y	N	U	Additional Information
Central A/C				☐ electric ☐ gas ☐ heat pump number of units:
Wall/Window AC Units				number of units:
Evaporative Coolers				number of units:
Central Heat				☐ electric ☐ gas ☐ heat pump number of units:
Other Heat				if yes describe: _____
Fireplace & Chimney				☐ woodburning ____ (no.) ☐ mock ____ (no.) ☐ other: _____
Gas Logs in Fireplace				
Ceiling Fans				number of units:
Carport				☐ attached ☐ not attached
Garage				☐ attached ☐ not attached
Garage Door Openers				number of units: _____ number of remotes: _____
Fences				☐ wood ☐ chain-link ☐ other
Patio/Decking				describe:
Outdoor Grill				location:
Hot Tub/Spa				
Pool				☐ in-ground ☐ above ground / heater: ☐ yes ☐ no
Underground Lawn Sprinkler				☐ automatic ☐ manual areas covered:
Septic / On-Site Sewer Facility				if yes, attach Information About On-Site Sewer Facility (TAR-1407)
Water Heater				☐ electric ☐ gas ☐ other: _____ number of units: _____
Water Softener				☐ owned ☐ leased from _____
Washer/Dryer Hookups				dryer hookups are: ☐ gas ☐ electric
Washer				
Dryer				
Sauna				
Alarm System				☐ owned ☐ leased from _____
Smoke Alarms				number of units:
Kitchen Equipment				☐ range-oven combo. ☐ cooktop ☐ oven ☐ microwave ☐ dishwasher ☐ disposer ☐ hood fan ☐ trash compactor ☐ refrigerator ☐ other: _____

Section 2. Are you aware of any item, equipment, or system in or on the Property that is in need of repair? ☐ yes ☐ no If yes, explain (attach additional sheets if necessary): _____

_____

_____

_____

_____

Note: Unless instructed otherwise, items in the Property will be repaired in accordance with the repair provisions in the lease that the Broker negotiates for the Owner.

Star Realty Property Management, LLC, 19627 Interstate 45 N Ste 310 Spring, TX 77388 Phone: 281-355-7827 Fax: 281-882-8700 SRPM LLC
Mark Kallus

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Concerning the Property at 123 KINGS LANDING LN. SPRING, TX 77388

Section 3. Are you aware of any of the following?

Y	N	
☐	☐	Owners' associations or maintenance fees or assessments. If yes, complete the following:

Name of association: _____
Manager's name: _____ Phone: _____
Address: _____
Describe the common areas or facilities (pool, tennis courts, greenbelts, etc.): _____
_____
Are there any user fees for the common facilities? ☐ yes ☐ no If yes, describe: _____
_____
Name and contact information of any other association to which the Property is subject: _____
_____

☐	☐	Any notices of violations of deed restrictions or governmental ordinances affecting the condition or use of the Property.
☐	☐	Any lawsuits or other legal proceedings directly or indirectly affecting the Property.
☐	☐	Any condition on the Property which materially affects the health or safety of an individual.

If the answer to any of the items in Section 3 is yes, explain (attach additional sheets if necessary): _____
_____
_____
_____

Section 4. Other Information.

(1) Water to the Property is supplied by: ☐ city ☐ MUD ☐ WCID ☐ co-op ☐ well (location: _____)
(2) The type of roof on the Property is: ☐ composition shingle ☐ wood shingle ☐ flat (tar & gravel) ☐ metal ☐ other _____ Approx. Age: _____ years
(3) If the Property is a condominium or townhome, describe parking spaces (numbers, if assigned, location):
_____
(4) Describe the location and number of the mailbox: _____
(5) Provide any alarm codes, garage door codes, access codes, gate codes, common facility codes: _____
_____
(6) Describe the location of:
heating & cooling filters: _____ filter size(s): _____
electrical breakers: _____
water shut-off valve: _____ gas shut-off valve: _____
(7) There ☐ are ☐ are not written warranties in effect for the Property or any appliances. Attach copies.
(8) Provide the names and phone numbers of the current providers to the Property:

Electricity: _____ Ph: _____
Gas: _____ Ph: _____
Water & Sewer: _____ Ph: _____
Telephone: _____ Ph: _____
Cable: _____ Ph: _____
Garbage: _____ Ph: _____
Pool Service: _____ Ph: _____
Alarm: _____ Ph: _____
Landscaping: _____ Ph: _____

_____ _____
Signature of Owner Date Signature of Owner Date

HAPPY HOMEOWNER

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