



NCG Real Estate, LLC
Neal C. Goodwin Broker/Owner
225 Tecumseh Court,
Raleigh NC 27607

Office: (919) 376-9364
Cellular: (919) 413-8735
Fax: (919) 882-8735
Email: Nealgoodwin@Yahoo.Com

1. WORKING WITH REAL ESTATE AGENTS (LEASE TRANSACTIONS)

*NOTE. This form is designed for use by agents working with landlords and/or tenants. It is similar, but not identical, to the "Working with Real Estate Agents" brochure published by the NC Real Estate Commission (available in letter-length format as NCAR Standard Form #520), which **must** be used by agents working with sellers and/or buyers.*

When leasing real estate, you may find it helpful to have a real estate agent assist you. Real estate agents can provide many useful services and work with you in different ways. In some real estate transactions, the agents work for the landlord. In others, the landlord and tenant may each have agents. And sometimes the same agents work for both the landlord and the tenant. It is important for you to know whether an agent is working for you as **your** agent or simply working **with** you while acting as an agent of the other party.

This brochure addresses the various types of working relationships that may be available to you. It should help you decide which relationship you want to have with a real estate agent. It will also give you useful information about the various services real estate agents can provide landlords and tenants, and it will help explain how real estate agents are paid.

LANDLORDS

Landlord's Agent

If you are leasing real estate as a landlord, you may want to "list" your property for lease with a real estate firm. If so, you will sign a "listing agreement" authorizing NCG Real Estate and its agents to represent you in your dealings with tenants as your *landlord's agent*. You may also be asked to allow agents from other firms to help find a tenant for your property.

Be sure to read and understand this before you sign it.

Duties to Landlord: The listing firm and its agents must • promote your best interests • be loyal to you • follow your lawful instructions • provide you with all material facts that could influence your decisions • use reasonable skill, care and diligence, and • account for all monies they handle for you. Once you have signed the listing agreement, NCG Real Estate and its agents may not give any confidential information about you to prospective tenants or their agents without your permission so long as they represent you. But **until you sign the listing agreement, you should avoid telling the listing agent anything you would not want a tenant to know.**

Services and Compensation: To help you lease your property, the listing firm and its agents will offer to perform a number of services for you. These may include • helping you price your property • advertising and marketing your property • giving you all required property disclosure forms for you to complete • negotiating for you the best possible price and terms • reviewing all written offers with you and • otherwise promoting your interests.

For representing you and helping you lease your property, you will pay the listing firm a commission or fee. The listing agreement must state the amount or method for determining the commission or fee and whether you will allow the firm to share its commission with agents representing the tenant.

Dual Agent

You may even permit the listing firm and its agents to represent you **and** a tenant at the same time. This "dual agency relationship" is most likely to happen if an agent with your listing firm is working as a *tenant's agent* with someone who wants to lease your property. If this occurs and you have not already agreed to a dual agency relationship in your listing agreement, your listing agent will ask you to sign a separate agreement or document permitting the agent to act as agent for both you and the tenant.

It may be difficult for a *dual agent* to advance the interests of both the tenant and landlord. Nevertheless, a *dual agent* must treat tenants and landlords fairly and equally. Although the *dual agent* owes them the same duties, tenants and landlords can prohibit *dual agents* from divulging **certain** confidential information about them to the other party.

If you choose the "dual agency" option, remember that since a dual agent's loyalty is divided between parties with competing interests, it is especially important that you have a clear understanding of • what your relationship is with the *dual agent* and • what the agent will be doing for you in the transaction.

TENANTS

When leasing real estate as a tenant, you may have several choices as to how you want a real estate firm and its agents to work with you. For example, you may want them to represent only you (as a **tenant's agent**). You may be willing for them to represent both you and the landlord at the same time (as a **dual agent**). Or you may agree to let them represent only the landlord (**landlord's agent** or **subagent**). Some agents will offer you a choice of these services. Others may not.

Tenant's Agent

Duties to Tenant: If the real estate firm and its agents represent you, they must • promote your best interests • be loyal to you • follow your lawful instructions • provide you with all material facts that could influence your decisions • use reasonable skill, care and diligence, and • account for all monies they handle for you. Once you have agreed (either orally or in writing) for the firm and its agents to be your *tenant's agent*, they may not give any confidential information about you to landlords or their agents without your permission so long as they represent you. But **until you make this agreement with your tenant's agent, you should avoid telling the agent anything you would not want a landlord to know.**

Unwritten Agreements: To make sure that you and the real estate firm have a clear understanding of what your relationship will be and what the firm will do for you, you may want to have a written agreement. However, some firms may be willing to represent you and assist you for a time as a *tenant's agent* without a written agreement. But if you decide to make an offer to lease a particular property, the agent must obtain a written agency agreement. If you do not sign it, the agent can no longer represent and assist you and is no longer required to keep information about you confidential. Furthermore, if you later lease the property through an agent with another firm, the agent who first showed you the property may seek compensation from the other firm.

Be sure to read and understand the agency agreement before you sign it.

Services and Compensation: A *tenant's agent* will perform a number of services for you. These may include helping you • find a suitable property • arrange financing • learn more about the property • prepare and submit a written offer to the landlord and • otherwise promote your best interests. A *tenant's agent* can be compensated in different ways. For example, you can pay the agent out of your own pocket. Or the agent may seek compensation from the landlord or listing agent first, but require you to pay if the listing agent refuses. Whatever the case, be sure your compensation arrangement with your *tenant's agent* is spelled out in a tenant agency agreement before you make an offer to purchase property and that you carefully read and understand the compensation provision.

Dual Agent

You may permit an agent or firm to represent you **and** the landlord at the same time. This "dual agency relationship" is most likely to happen if you become interested in a property listed with your *tenant's agent* or the agent's firm. If this occurs and you have not already agreed to a dual agency relationship in your tenant agency agreement, your *tenant's agent* will ask you to sign a separate agreement or document permitting him or her to act as agent for both you and the landlord. It may be difficult for a *dual agent* to advance the interests of both the tenant and landlord. Nevertheless, a *dual agent* must treat tenants and landlords fairly and equally. Although the *dual agent* owes them the same duties, tenants and landlords can prohibit *dual agents* from divulging **certain** confidential information about them to the other party.

If you choose the "dual agency" option, remember that since a *dual agent's* loyalty is divided between parties with competing interests, it is especially important that you have a clear understanding of • what your relationship is with the *dual agent* and • what the agent will be doing for you in the transaction. This can best be accomplished by putting the agreement in writing at the earliest possible time.

Landlord's Agent Working With a Tenant

If the real estate agent or firm that you contact does not offer *tenant agency* or you do not want them to act as your *tenant's agent*, you can still work with NCG Real Estate and its agents. However, they will be acting as the *landlord's agent* (or "subagent"). The agent can still help you find and lease property and provide many of the same services as a *tenant's agent*. The agent must be fair with you and provide you with any "material facts" (such as a leaky roof) about properties.

But remember, the agent represents the landlord - not you - and therefore must try to obtain for the landlord the best possible price and terms for the landlord's property. Furthermore, a *landlord's agent* is required to give the landlord any information about you (even personal, financial or confidential information) that would help the landlord in the lease of his or her property. Agents must tell you *in writing* if they are *landlords' agents* before you say anything that can help the landlord. But **until you are sure that an agent is not a landlord's agent, you should avoid saying anything you do not want a landlord to know.**

Landlords' agents are compensated by the landlords.

WORKING WITH REAL ESTATE AGENTS (LEASE TRANSACTIONS)

Signing of this section is not a contract

By signing, I acknowledge that the agent named below furnished a copy of this brochure and reviewed it with me.

THE NORTH CAROLINA ASSOCIATION OF REALTORS®, INC. MAKES NO REPRESENTATION AS TO THE LEGAL VALIDITY OR ADEQUACY OF ANY PROVISION OF THIS FORM IN ANY SPECIFIC TRANSACTION.

Owner 1: _____
(Print Name)

Owner 1: _____
(Signature)

(Seal) Date: _____

Owner 2: _____
(Print Name)

Owner 2: _____
(Signature)

(Seal) Date: _____

Owner 3: _____
(Signature)

(Seal) Date: _____

FIRM:

NCG Real Estate, LLC
225 Tecumseh Court,
Raleigh NC 27607
Office: (919) 376-9364
Cellular: (919) 413-8735
Fax: (919) 882-8735
Email: nealgoodwin@yahoo.com

Agent: _____

(Seal) Date: _____

Disclosure of Landlord Subagency

When showing you property and assisting you in leasing a property, the above agent and firm will represent the LANDLORD. For more information, see "Landlord's Agent Working with a Tenant" in the brochure.

Tenant's Initials Acknowledging Disclosure: _____

Agents must retain this acknowledgment for their files.

LANDLORD ASSISTANCE PROPERTY MANAGEMENT AGREEMENT (CONTRACT)

NCG REAL ESTATE, LLC hereinafter referred to as "NCG REAL ESTATE" agrees to lease the Owner(s)'s property located at:

(Print Street Name)

(Print City, State, Zip)

for the monthly rental amount of \$ _____:_____ by marketing the property to prospective tenants through our company marketing program and relocation services, various network websites, companies website and through the Triangle Multiple Listing Service (TMLS).

"NCG REAL ESTATE" will show the property, acquire a credit report, collect and hold a security deposit equal to one month's rent from the prospective Tenant. Information on any prospective Tenant will be provided to Owner(s) and acceptance of the Tenant will be at Owner(s) discretion.

Upon Owner(s) approval, "NCG REAL ESTATE" will draw up a Rental Contract and collect the first month's rent, (in addition to the security deposit), before the prospective tenant takes possession.

All monies collected will be held in "NCG REAL ESTATE" Trust Account until all parties sign the Rental Contract, and "NCG REAL ESTATE" closes file. At that time, "NCG REAL ESTATE" will disburse the security deposit to Owner(s) to be held as a deposit for the duration of the Rental Contract term. If "NCG REAL ESTATE" will be managing the account then the security deposit shall remain in "NCG REAL ESTATE" Trust Account. When "NCG REAL ESTATE" disburses the security deposit to Owner(s), "NCG REAL ESTATE" will disburse the appropriate first month's rent to our Operating Account as payment, or partial payment, of the commission due. In the event that a pro-rated amount of rent is collected as the first month's rent, it is possible that the commission due could exceed the pro-rated rent amount. In such an event, the balance of the commission shall be due and payable upon the tenant's move-in.

The fees and commissions due to "NCG REAL ESTATE" from Owner(s) are as follows:

- Commission for a Rental Contract of one (1) to seven (7) months shall be equal to eighty percent of one month's rent.
- Commission for a Rental Contract over seven (7) months and up to, and including, twenty three (23) months shall be equal to one month's rent.
- Commission for a Rental Contract over twenty three (23) months shall be one and one half month's rent.
- Renewal fee shall be one half of a one month's rent.
- If the tenant secured by "NCG REAL ESTATE" purchases the above property during any Rental Contract term or within six (6) months of the initial Rental Contract term expiration or any renewal term thereof, the Owner(s) agrees to pay a commission of five percent (5%) of the gross sales price to "NCG REAL ESTATE", which shall be due and payable upon the closing of the property.

Should Owner(s) fail to complete the transaction once a verbal agreement has been established, or once all parties sign the Rental Contract, "NCG REAL ESTATE" a full commission is due and payable.

Should Owner(s) fail to complete the transaction once a ready, willing, and able prospective tenant has been found, "NCG REAL ESTATE" full commission is due and payable. In the event of a breach of this agreement by Owner(s), Owner(s) shall be liable to "NCG REAL ESTATE" for all monies owed to "NCG REAL ESTATE" under this agreement, as well as any other damages, including, but not limited to, attorney fees, incurred by "NCG REAL ESTATE" in the collection of such amounts.

"NCG REAL ESTATE" is not responsible for any lost rents or any damage done by the Tenant once possession is delivered, nor is "NCG REAL ESTATE" responsible for any actions by the Tenant.

"NCG REAL ESTATE" is a full service real estate brokerage company that represents buyers, sellers, landlords, and tenants.

Should "NCG REAL ESTATE" receive moneys from more than one party in a transaction, "NCG REAL ESTATE" shall act as a Dual Agent and a Dual Agency Agreement will be included with the Residential Rental Agreement at the signing of the Rental Contract.

By executing this agreement in the spaces provided below Owner(s) hereby acknowledge receipt of a copy of the North Carolina Real Estate Commission's Agency Relationship Description of Agent Duties and Relationships form and approve in advance "NCG REAL ESTATE" policy of representing both landlords and tenants through Dual Agency when applicable.

Owner(s) agrees to cooperate with their "NCG REAL ESTATE" Agent to facilitate the leasing of the above property. The property may be shown through appointments made through "NCG REAL ESTATE". The Owner(s) shall require that all inquiries or offers received regarding the above property be directed to their "NCG REAL ESTATE" agent. All negotiations shall be conducted through "NCG REAL ESTATE". "NCG REAL ESTATE" shall be identified as the contact firm with all agencies being notified of the property's availability.

"NCG REAL ESTATE" AND THE BELOW SIGNED Owner(s) understand that "NCG REAL ESTATE" shall conduct all brokerage activities in regard to this agreement without respect to race, color, religion, sex, national origin, handicap or familial status of any tenant, prospective tenant, landlord, buyer, or seller.

This agreement shall be enforced for a term of one hundred eighty (180) days from the date the last signature is affixed below. This agreement shall run from the date the last signature is affixed below.

Owner(s) agrees that if upon the expiration or termination of this agreement:

Owner _____

Agent _____

1. Owner(s) accepts a rental offer presented by "NCG REAL ESTATE" or a rental offer presented by a prospect introduced to the property by "NCG REAL ESTATE", Owner(s) will pay "NCG REAL ESTATE" the full commission as outlined within this contract.
2. Authority to use a combination Lock Box on the subject property is given for the benefit of the Owner(s) and does not subject the Triangle Multiple Listing Service (TMLS) and/or "NCG REAL ESTATE" and/or its Agents to any liability whatsoever in connection with the publishing and/or dissemination of the listing information and the use of the combination Lock Box on the subject property.
3. Furthermore, the undersigned Owner(s) understands and agrees that "NCG REAL ESTATE" shall not be held liable for any damages that are in any way related to the unauthorized entry (whether negligent and/or criminal) into the premises by other parties.
4. Owner(s) represents that any known defects in the property have been disclosed to "NCG REAL ESTATE" and that Owner(s) is current on any and all mortgages or other debts tied to the property. Owner(s) agrees to adhere and abide by any City, County and/or State ordinances.
5. Owner(s) to provide working utilities and maintenance of property during the marketing term.
6. North Carolina Real Estate Law provides that any security deposit held on behalf of a Tenant, must be held in a bank account within the State of North Carolina (Credit Unions of any kind are prohibited). Owner(s) acknowledges their understanding of this requirement. Owner(s) hereby acknowledges receipt of a signed copy of this Landlord Assistance Agreement.
7. Owner(s) further acknowledges and agrees that verbal negotiations are binding and enforceable.
8. Owner(s) herein attest that they are the true and only owner(s) of the herein mentioned property.

Duration of Agreement: This Agreement shall be binding when it has been signed and dated below by Owner(s) and Agent. It shall become effective on Lease Commencement, initiation of Property Management services or other mutually agreed upon date, whichever occurs first, and shall be for an initial term equal to the Residential Rental Contract for the property. Not less than Sixty (60) days prior to the conclusion of the initial term or other mutually agreed upon date, either party may notify the other party in writing of its desire to terminate this Agreement, in which case it shall terminate at the conclusion of the initial term. If not so terminated, this Agreement shall automatically renew for successive terms of Twelve (12) months each unless either party gives the other party written notice of its desire to terminate this Agreement at least Sixty (60) days prior to the conclusion of any such renewal term, in which case this Agreement shall terminate at the conclusion of such term. If Owner(s) terminates this Agreement within Ninety (90) days of its effective date, Property Management reserve the right that the Owner(s) shall pay Agent a termination fee of Five Hundred Dollars (\$500.00); this termination fee shall not apply if the agreement is a renewal agreement.

Agent's Fee. For services performed hereunder, Owner(s) shall compensate Agent in the following manner:

A fee equal to Eight percent (8%) of gross rental income received on all rental agreements, or \$80.00 per month, whichever is greater.

Other (described method of compensation): _____

Agent may deduct Agent's Fee from gross receipts and collections received before remitting the balance of the receipts and collections to Owner(s). **Note:** No fees may be deducted from any tenant security deposit until the termination of the tenancy. Thereafter, any fees due Agent from Owner(s) may be deducted from any portion of the security deposit due to Owner(s).

Other Fees: Agent may charge tenants reasonable administrative fees permitted by law and retain any such fees, including but not limited to, fees to cover the costs of processing tenant rental applications. If, in Agent's discretion, tenant leases provide for late payment fees and/or returned check fees, such fees, when collected by Agent, shall belong as follows: late payment fees to Owner(s), return check fees to Agent. Fees for purposes covered under the Tenant Security Deposit Act will be collected, held and disbursed in accordance with paragraphs 7 and 8 of this Agreement.

Authority and Responsibilities of Agent: During the time this Agreement is in effect, Agent shall:

1. Manage the Property to the best of Agent's ability, devoting thereto such time and attention as may be necessary;
2. OFFER THE PROPERTY TO THE PUBLIC FOR LEASING IN COMPLIANCE WITH ALL STATE AND FEDERAL HOUSING LAWS, INCLUDING BUT NOT LIMITED TO, ANY STATE AND FEDERAL LAWS PROHIBITING DISCRIMINATION ON THE BASIS OF RACE, COLOR, RELIGION, SEX, NATIONAL ORIGIN, HANDICAP OR FAMILIAL STATUS;
3. Use Agent's best efforts to maintain tenants, including the authority to negotiate, execute, extend and renew leases in
4. Owner(s)'s name for terms not in excess of 2 Years
5. Collect all rentals and other charges and amounts due under tenant leases and give receipts for amounts so collected;
6. Deliver to Owner(s) within Thirty (30) days following the date of execution of any rental agreement an accounting which sets forth the name of the tenant, the rental rate and rents collected, and promptly provide a copy of any rental agreement to Owner(s) upon reasonable request;
7. Provide Owner(s) monthly statements of all monies received and disbursed in connection with Agent's management of the Property, and remit to Owner(s) rental proceeds collected, less any deductions authorized hereunder; provided: (1) this shall not constitute a guarantee by Agent for rental payments that Agent is unable to collect in the exercise of reasonable diligence; and (2) if, pursuant to this Agreement, or required by law, Agent either has refunded or will refund in whole or in part any rental payments made by a tenant and previously remitted to Owner(s), Owner(s) agrees to return same to Agent promptly upon Agent's demand;

Owner _____

Agent _____

8. **Make or cause to be made any repairs which, in Agent's opinion, may be necessary to preserve, maintain and protect the Property; provided, Agent may not make any repairs that exceed \$300.00 for Owner(s) residing in the continental United States, \$500.00 for Owner(s) residing overseas without prior approval of Owner(s), except that in the case of an emergency, Agent may, without prior approval, make whatever expenditures on behalf of Owner(s) that are reasonably necessary to preserve the Property or prevent further damage from occurring;**
9. Answer tenant requests and complaints and perform the duties imposed upon Owner(s) by tenant leases or any local, state or federal law or regulations, including the authority to purchase such supplies and hire such labor as may be necessary in Agent's opinion to accomplish any necessary repairs;
10. Property Management reserve the right to retain such amounts from Owner(s)'s rental proceeds as may be necessary from time to time to establish and maintain a fund on behalf of Owner(s) in the amount of \$300.00 for Owner(s) residing in the continental United States, \$500.00 for Owner(s) residing overseas, from which Agent may pay expenses associated with the management and operation of the Property for which Owner(s) is responsible hereunder;
11. Negotiate partial refunds with tenants if, in Agent's reasonable opinion, the tenant's use and enjoyment of the Property has been or will be materially and adversely affected as a result of a defect in the condition of the Property (such as a repair to the electrical, plumbing, sanitary, heating or ventilating facilities or a major appliance that cannot be made reasonably and promptly);
12. Institute and prosecute such proceedings in small claims court as may be necessary and advisable, in Agent's opinion, to recover rents and other sums due to Owner(s) from tenants or to evict tenants and regain possession, including the authority, in Agent's discretion, to settle, compromise and release any and all such small claims proceedings; Authority to consult with and/or engage legal counsel as needed in the Agent's discretion, such costs incurred by Owner(s); and
13. _____

Responsibilities of Owner(s): During the time this Agreement is in effect, Owner(s) shall:

1. Be responsible for all costs and expenses associated with the maintenance and operation of the Property in accordance with the requirements of tenant leases or any local, state or federal law or regulations, including but not limited to NC General Statutes Section 42-42, and advance to Agent such sums as may be necessary from time to time to pay such costs and expenses;
2. Provide funds to Agent, within seven (7) business days, upon Agent's request for any cost or expense for which Owner(s) is responsible that Agent, in Agent's discretion, incurs on Owner(s)'s behalf, including but not limited to, the costs of advertising, emergency maintenance and repairs, utilities, property taxes, Owner(s)'s association dues and assessments, court costs and attorney's fees; and further pay interest at the rate of Two percent (2%) per month on the amount of any outstanding balance thereof not paid to Agent within Thirty (30) days of Agent's written request therefore;
3. **Keep current ALL Mortgages, Property Taxes, Home Owners Association Fees and Hazard Insurance payments. Should Landlord(s) default or be more than one (1) month late on any of the above mentioned, Landlord(s) MUST notify Property Management & Tenant(s) immediately. Property Management is not liable for any financial loss incurred by Landlord(s) and/or Tenant(s) whatsoever. Property Management shall be held harmless again ALL claims by Landlord(s) and/or Tenant(s) whatsoever and Property Management reserves the right to immediately terminate this agreement should Landlord(s) default or be more than one (1) month late on any of the above mentioned. Tenant(s) will be advised to seek professional legal advice.**
4. **NOT TAKE ANY ACTION OR ADOPT ANY POLICY THE EFFECT OF WHICH WOULD BE TO PREVENT AGENT FROM OFFERING THE PROPERTY FOR RENT IN COMPLIANCE WITH ALL APPLICABLE FEDERAL AND STATE LAWS AND REGULATIONS, INCLUDING BUT NOT LIMITED TO, THOSE LAWS AND REGULATIONS PROHIBITING DISCRIMINATION ON THE BASIS OF RACE, COLOR, RELIGION, SEX, NATIONAL ORIGIN, HANDICAP OR FAMILIAL STATUS IN THE LEASING OF THE PROPERTY;**
5. Carry, at Owner(s)'s expense, commercial general liability insurance (including products and completed operations coverage) against any and all claims or demands whatever arising out of, or in any way connected with, the operation, leasing and maintenance of the Property, which policies shall be written to the extent allowable so as to protect Agent in the same manner as Owner(s) and which shall be in the minimum amounts of \$ adequate for each injury or death of one person in each accident or occurrence, and \$adequate for property damage in each accident or occurrence; and provide at least annually a copy of such insurance policy or policies to Agent upon Agent's request;

- Name of insurance company: _____
- Policy number: _____
- Name of insurance agent: _____
- Telephone no.: _____

Bank Deposit Information: Please provide the following information:

- Name on Account _____
- Name of Bank _____
- Bank Routing Number/Sort Code _____
- Bank Account Number _____
- Is Bank Account Checking or Savings _____
- Full Address on Account _____

Indemnify and hold Agent harmless to the extent allowable by law from any and all costs, expenses, attorney's fees, suits, liabilities, damages or claims for damages, including but not limited to, those arising out of any injury or death to any person or loss or damage to any property of any kind whatsoever and to whomsoever

Owner _____

Agent _____

belonging, including Owner(s), in any way relating to the management of the Property by Agent or by the performance or exercise of any duty, obligation or authority set forth herein or hereafter granted to Agent, except to the extent that such may be the result of gross negligence or willful or intentional misconduct by Agent; and

- Provide operable smoke detectors on each floor of the home and replace batteries at the beginning of each new tenancy;
- Provide three (3) complete sets of key to the property, including, but no limited to, door, mailbox, community amenities;
- Provide written instructions for the disposition of monthly rent proceeds;
- Provide written instructions for home owner association (HOA) assessments;
- Provide information on any warranties, whether on home or equipment/appliances;
- Provide instructions on any systems, i.e. Irrigation, security system, well, septic;
- Provide all items requested on Property Management Checklist;

• _____

Tenant Security Deposits. Agent may, in Agent's discretion, require tenants to make security deposits in an amount permitted by law to secure tenants' lease obligations (such security deposits shall hereinafter be referred to as "Tenant Security Deposits"). If the Agent requires Tenant Security Deposits, they shall be placed in a trust account in Agent's name in a North Carolina bank or savings and loan association. Upon the commencement of this Agreement, Owner(s) shall deliver to Agent a list of any current tenants who previously made Tenant Security Deposits under existing leases and the amounts thereof. Simultaneously therewith, any such Tenant Security Deposits shall be placed in a trust account in Agent's name in a North Carolina bank or savings and loan association, and shall thereafter be administered in accordance with this Agreement. Should the property have been managed by a previous company then the Owner will ensure that the tenant will receive a certified letter outlining the change of location of the Tenant Security Deposits; Owner will provide copy of letter to Agent.

Joint and Several Contract. This means that in the case of two or more owners are signing this agreement that ALL owners understand that they signing this agreement, "Jointly and Severely". This means ALL owners are jointly and severely responsible for the all agreement terms, conditions and rent. If one own severs this agreement then ALL other owners will be responsible for all agreement terms, conditions and fees. All lease agreements with all tenants shall also be Joint and Several Contracts.

Entry by Owner(s). Owner(s) agrees that neither the Owner(s) nor any third party acting at Owner(s)'s discretion, shall enter the Property for any purpose whatsoever during any time that it is occupied by a tenant in the absence of reasonable notice to Agent or tenant and scheduling by Agent or tenant of an appropriate time for any such entry.

Lead-Based Paint/Hazard Disclosure. If the Property was built prior to 1978, Landlord understands that Landlord is required under 42 U.S.C. 4852(d) to disclose information about lead-based paint and lead-based paint hazards, and that Agent is required to ensure Landlord's compliance with said law. Landlord agrees to complete and sign a "Disclosure Of Information On Lead-Based Paint And Lead-Based Paint Hazards" form (NCAR form #430-T), photocopies of which will be provided by Agent to prospective tenants. In the alternative, Landlord authorizes Agent, in Agent's discretion, to fulfill Landlord's disclosure obligations by completing and signing said form on Landlord's behalf based on information provided by Landlord to Agent.

Condition of Property. NCG Real Estate LLC reserves the right that in their professional opinion or judgment that the property should be professionally inspected priors to accepting the property for rent the Landlord(s) will agree to having the property professionally inspected by North Carolina licensed inspector at Owner's expense, such report will be made available to NCG Real Estate LLC. Condition and safety of the property for tenants residing at the property must be Owner's highest priority. Owner agrees to makes necessary repairs for the safety of the tenants at Owner's expense and shall copies of receipts for work carried out.

Duties on Termination. Upon termination of this Agreement by either party, each shall take such steps as are necessary to settle all accounts between them, including, but not limited to, the following:

- Agent shall promptly render to Owner(s) all rents then on hand after having deducted there from any Agent's fees then due and amounts sufficient to cover all other outstanding expenditures of Agent incurred in connection with operating the Property;
- Agent shall transfer any security deposits held by Agent to Owner(s) or such other person or entity as Owner(s) may designate in writing; provided, Owner(s) understands and acknowledges that the Tenant Security Deposit Act requires Owner(s) to either deposit any such deposits in a trust account with a licensed and insured bank or savings institution located in North Carolina, or furnish a bond from an insurance company licensed to do business in North Carolina;
- Owner(s) shall promptly pay to Agent any fees or amounts due the Agent under the Agreement and shall reimburse Agent for any expenditures made and outstanding at the time of termination;
- Agent shall deliver to Owner(s) copies of all tenant leases and other instruments entered into on behalf of Owner(s) (Agent may retain copies of such leases and instruments for Agent's records); and
- Owner(s) and Agent shall notify all current tenants of the termination of this Agreement and transfer of any advance rents and security deposits to Owner(s).

Sale of Property. In the event Owner(s) desires to sell the Property through Owner(s)'s own efforts or those of a firm other than Agent, Owner(s) shall: (a) promptly notify Agent that the Property is for sale and, if applicable, disclose to Agent the name of the listing firm; and (b) promptly notify Agent if the Property goes under contract and disclose to Agent the agreed-upon closing date. If the tenant secured by Agent purchases the above property during any Rental Contract term or within six (6) months of the initial Rental Contract term expiration or any renewal term thereof, the Owner(s) agrees to pay a commission of five percent (4.8%) of the gross sales price to Agent, which shall be due and payable upon the closing of the property; where the above-described purchase of the Property involves a tenant who was not originally secured by Agent but who later entered into a rental term of any length during Agent's management of the Property, Owner(s) agrees to pay Agent a commission of two-and-a-half percent (2.4%) of the gross sales purchase price, said amount being due and payable upon the closing of the purchase of the Property.

Owner _____

Agent _____

Entire Agreement; Modification. This Agreement contains the entire agreement of the parties and supersedes all prior written and oral proposals, understandings, agreements and representations, all of which are merged herein. No amendment or modification to this Agreement shall be effective unless it is in writing and executed by all parties hereto.

Non-Waiver of Default. The failure of either party to insist, in any one or more instances, on the performance of any term or condition of this Agreement shall not be construed as a waiver or relinquishment of any rights granted hereunder or of the future performance of any such term or condition, and the obligations of the non-performing party with respect thereto shall continue in full force and effect.

Governing Law; Venue. The parties agree that this Agreement shall be governed by and construed in accordance with the laws of the State of North Carolina, and that in the event of a dispute, any legal action may only be instituted in the county where the Property is located.

Relationship of Parties. Although Owner(s) and Agent agree that they will actively and materially participate with each other on a regular basis in fulfilling their respective obligations hereunder, the parties intend for their relationship to be that of independent contractors, and nothing contained in this Agreement shall be construed to create a partnership or joint venture of any kind. Agent reserves the right to use any affiliated companies for the purpose of repairs and maintenance. In the event Owner(s) requests Agent to take any action that may, in Agent's sole opinion, either cause injury to Owner(s)'s interests or reputation or may in any way violate the spirit or letter of any law or regulation or contract, Agent shall have the right to terminate this Agreement with seven days written notice to Owner(s).

Exclusivity. Owner(s) agrees that Agent shall be the exclusive rental agent for the Property, and that no other party, including Owner(s), shall offer the Property for rent during the time this Agreement is in effect. Any rent nevertheless received by Owner(s) or any third party will be transferred to Agent and thereafter accounted for as if originally received by Agent, including the deduction there from of any fee due Agent hereunder.

Default. If either party defaults in the performance of any of its obligations hereunder, in addition to any other remedies provided herein or by applicable law, the non-defaulting party shall have the right to terminate this Agreement if, within thirty days after providing the defaulting party with written notice of the default and the intent to terminate, the default remains uncured.

Costs in Event of Default. If legal proceedings are brought by a party to enforce the terms, conditions or provisions of this Agreement, the prevailing party shall be entitled to recover all expenses (including, but not limited to, reasonable attorney fees, legal expenses and reasonable costs of collection) paid or incurred by such prevailing party in endeavoring to enforce the terms, conditions, or provisions of this Agreement and/or collect any amount owing in accordance with this Agreement.

Authority to Enter into Agreement; Principal Contact. Owner(s) represents and warrants to Agent that Owner(s) has full authority to enter into this Agreement, and that there is no other party with an interest in the Property whose joinder in this Agreement is necessary.

- Either _____ or _____ shall serve as

Owner(s)'s principal contact for purposes of making all decisions and receiving all notices and rental payments contemplated by this Agreement, and all persons signing this Agreement as Owner(s) hereby appoint either of said persons as Owner(s)'s agent and attorney-in-fact for the purposes set forth in this section.

The Real Estate License Law—Trust Accounts. It is understood between Owner(s) and NCG Real Estate that NCG Real Estate MUST comply with ALL rules and regulations regarding the handling of security deposit and rent payments set forth within "The Real Estate License Law" regarding "Trust Accounts".

NCG Real Estate MUST deposit rent receipts and security deposits into a trust or escrow account. NCG Real Estate is NOT permitted to deposit funds directly into an account of the property owner, a practice which may be agreeable to the owner, but is a violation of the law.

The Real Estate License Law requires NCG Real Estate to deposit all money received by them in a brokerage capacity, or as the temporary custodian of the funds, into a trust or escrow account. This means that all rent checks from tenants, as well as security deposits, must first be placed in the NCG Real Estate's trust or escrow account before being disbursed to the property the Owner(s). **Direct deposit into an owner's account is not permitted.**

Likewise, NCG Real Estate is NOT permitted to deposit rent proceeds into a joint account with the owner, whether or not it is designated as a trust account. Thus, a broker cannot use a so-called "trust account" if the property owner has access to it. If the owner is able to withdraw funds from the account, it is not a true trust account, and does not comply with the requirements of the law.

To avoid any violations of the law, NCG Real Estate has several designated trust or escrow accounts. No property owners can be given access to the account, nor can their names appear on the signature cards. Every deposit and rent check received should be deposited into the trust or escrow account, and then, at the appropriate time, disbursed from that account to the Owner(s) and to anyone else entitled to a portion of the funds. Other than the brokers-in-charge of NCG Real Estate, other agents or staff CANNOT independently handle trust funds in their own names. Rather, other agents or staff MUST immediately turn over all trust monies they receive to the brokers-in-charge of NCG Real Estate.

Owner(s) are assured that NCG Real Estate will keep adequate records regarding the properties managed and the handling of trust funds related to that property. NCG Real Estate will maintain deposit tickets for rent and security deposits showing that the monies were deposited in a timely manner into NCG Real Estate's trust or escrow account, and NCG Real Estate will retain canceled checks and/or other records showing disbursements to the property the Owner(s) and others.

NCG Real Estate will maintain a ledger card for each property managed, and a journal or check stubs for the trust or escrow accounts. The journal or checks stubs will identify each transaction and show a running balance for funds in the account. In addition, NCG Real Estate will retain copies of contracts, leases and management statements, bank statements, and any other documents necessary to explain the handling of funds received on behalf of the Owner(s).

Owner(s) is/are advised that ALL rent payments from the tenants are due on the 1st (FIRST) day of each calendar month, regardless of when their lease began. Rent checks from the tenants must be issued on ONE check only. All rents from the tenant's checks must be made payable to: NCG Real Estate, LLC.

Owner _____

Agent _____

Tenants will be advised to write the property address on their payments. Should Tenant(s) move-in on a date other than the FIRST day of the month the initial rent collected will be prorated and calculated on a daily basis in accordance of the NC Real Estate Commission (Monthly rent multiplied by 12 months and dived by 365 days). All prorated rent collected will be added to the following month's rent.

Tenants will be advised that returned/dishonored checks by the bank or checks that cannot be cashed at the time of depositing shall need to be immediately replaced by "Certified Funds" only. In either event, a late fee and return check fee will apply. It shall be the Tenants responsible to get such funds to the NCG Real Estate. Tenants will be advised that should TWO rent checks be returned/dishonored within the lease term then ALL rents payments thereafter shall need to be "Certified Funds" only. The cost of "Certified Funds" will be at Tenant's expense.

It is understood between Owner(s) and NCG Real Estate that it can take up to 13 days for a bank to advise NCG Real Estate that a tenant's rent check has been returned/dishonored and as such the Owner(s) agree that NCG Real Estate shall have this grace period before funds to the Owner(s) can be disbursed. It is further understood that given some rent checks may not arrive until the 5th day of the month and allowing for days that banks may not be open (Weekends & Holidays) NCG Real Estate will disburse funds to the Owner(s) around the 20th of each month—there can be NO exceptions and NCG Real Estate CANNOT co-mingle trust account funds set forth within "The Real Estate License Law" regarding "Trust Accounts & Accounting".

Notices. Any notices required or permitted to be given hereunder shall be in writing and mailed by certified mail to the appropriate party at the party's address set forth below.

Binding Nature of Agreement. This Agreement shall be binding upon and inure to the benefit of the heirs, legal and personal representatives, successors and permitted assigns of the parties.

Assignments by Agent; Change of Ownership. Owner(s) agrees that at any time during the term of this Agreement, Agent may either assign Agent's rights and responsibilities hereunder to another real estate agency, or transfer to another person or entity all or part of the Owner(s)ship of Agent's real estate agency, and that in the event of any such assignment or transfer, this Agreement shall continue in full force and effect; provided, that any assignee or transferee must be licensed to engage in the business of real estate brokerage in the State of North Carolina. In the event of any such assignment or transfer, Owner(s) may, in addition to all other termination rights hereunder, terminate this Agreement without cause on sixty (60) days' prior written notice to the assignee or transferee of Owner(s)'s intent to terminate this Agreement.

Other Professional Services. Owner(s) acknowledges that Agent is being retained solely as a real estate professional, and understands that other professional service providers are available to render advice or services to Owner(s) at Owner(s)'s expense, including but not limited to an attorney, insurance agent, tax advisor, engineer, home inspector, environmental consultant, architect, or contractor. If Agent procures any such services at the request of Owner(s), Owner(s) agrees that Agent shall incur no liability or responsibility in connection therewith.

Tax ID Form 1099. Owners shall not send NCG Real Estate and/or it Agents a Tax ID Form 1099 when it is not necessary and to avoid double taxation; i.e. Owner(s) will receive from NCG Real Estate a Tax ID Form 1099 each year that will be the net amount paid to the Owner(s) after commissions, property managements fees and repairs have been deducted. Should a Tax ID Form 1099 be received by NCG Real Estate and/or it; additional tax incurred will be deducted from the rents and/or an amended 1099 to the Owner will be sent. Owner shall complete a Tax ID Form W9 and submit it to NCG Real Estate.

THE AGENT SHALL CONDUCT ALL BROKERAGE ACTIVITIES IN REGARD TO THIS AGREEMENT WITHOUT RESPECT TO THE RACE, COLOR, RELIGION, SEX, NATIONAL ORIGIN, HANDICAP OR FAMILIAL STATUS OF ANY PARTY OR PROSPECTIVE PARTY TO THE AGREEMENT.

Fair Housing Act: Title VIII of the Civil Rights Act of 1968 (Fair Housing Act), as amended, prohibits discrimination in the sale, rental, and financing of dwellings, and in other housing-related transactions, based on race, color, national origin, religion, sex, familial status (including children under the age of 18 living with parents of legal custodians, pregnant women, and people securing custody of children under the age of 18), and handicap (disability). More on the Fair Housing Act

Title VI of the Civil Rights Act of 1964: Title VI prohibits discrimination on the basis of race, color, or national origin in programs and activities receiving federal financial assistance.

Section 504 of the Rehabilitation Act of 1973: Section 504 prohibits discrimination based on disability in any program or activity receiving federal financial assistance.

Section 109 of Title I of the Housing and Community Development Act of 1974: Section 109 prohibits discrimination on the basis of race, color, national origin, sex or religion in programs and activities receiving financial assistance from HUD's Community Development and Block Grant Program.

Title II of the Americans with Disabilities Act of 1990: Title II prohibits discrimination based on disability in programs, services, and activities provided or made available by public entities. HUD enforces Title II when it relates to state and local public housing, housing assistance and housing referrals.

Architectural Barriers Act of 1968: The Architectural Barriers Act requires that buildings and facilities designed, constructed, altered, or leased with certain federal funds after September 1969 must be accessible to and useable by handicapped persons.

Age Discrimination Act of 1975: The Age Discrimination Act prohibits discrimination on the basis of age in programs or activities receiving federal financial assistance.

Title IX of the Education Amendments Act of 1972: Title IX prohibits discrimination on the basis of sex in education programs or activities that receive federal financial assistance.

Fair Housing Act: Title VIII of the Civil Rights Act of 1968 (Fair Housing Act), as amended, prohibits discrimination in the sale, rental, and financing of dwellings, and in other housing-related transactions, based on race, color, national origin, religion, sex, familial status (including children under the age of 18 living with parents of legal custodians, pregnant women, and people securing custody of children under the age of 18), and handicap (disability). More on the Fair Housing Act

Title VI of the Civil Rights Act of 1964: Title VI prohibits discrimination on the basis of race, color, or national origin in programs and activities receiving federal financial assistance.

Section 504 of the Rehabilitation Act of 1973: Section 504 prohibits discrimination based on disability in any program or activity receiving federal financial assistance.

Owner _____

Agent _____

Section 109 of Title I of the Housing and Community Development Act of 1974: Section 109 prohibits discrimination on the basis of race, color, national origin, sex or religion in programs and activities receiving financial assistance from HUD's Community Development and Block Grant Program.

Title II of the Americans with Disabilities Act of 1990: Title II prohibits discrimination based on disability in programs, services, and activities provided or made available by public entities. HUD enforces Title II when it relates to state and local public housing, housing assistance and housing referrals.

Architectural Barriers Act of 1968: The Architectural Barriers Act requires that buildings and facilities designed, constructed, altered, or leased with certain federal funds after September 1969 must be accessible to and useable by handicapped persons.

Age Discrimination Act of 1975: The Age Discrimination Act prohibits discrimination on the basis of age in programs or activities receiving federal financial assistance.

Title IX of the Education Amendments Act of 1972: Title IX prohibits discrimination on the basis of sex in education programs or activities that receive federal financial assistance.

THE NORTH CAROLINA ASSOCIATION OF REALTORS®, INC. MAKES NO REPRESENTATION AS TO THE LEGAL VALIDITY OR ADEQUACY OF ANY PROVISION OF THIS FORM IN ANY SPECIFIC TRANSACTION.

LANDLORD ASSISTANCE PROPERTY MANAGEMENT AGREEMENT (CONTRACT)

Signing of this agreement is a binding contract

Owner 1: _____
(Print Name)

SS/TAX ID _____

Owner 1: _____
(Signature)

Date: _____

Owner 2: _____
(Print Name)

SS/TAX ID _____

Owner 2: _____
(Signature)

Date: _____

Owner 3: _____
(Print Name)

SS/TAX ID _____

Owner 3: _____

Date: _____

PERMANENT MAILING ADDRESS:

Street

City, State, Zip

Home Phone: () _____

Wk Phone: () _____

Cell Phone : () _____

Fax: () _____

Email Address 1: _____

TENANTS SECURITY DEPOSIT WILL BE DEPOSITED AT:

Bank of America: Cary Village, 801 SE Maynard Rd, Cary, NC 27511

TENANTS RENTAL PAYMENT WILL BE DEPOSITED AT:

Bank of America: Cary Village, 801 SE Maynard Rd, Cary, NC 27511

By: **NCG REAL ESTATE, LLC**

Agent: _____
(Signature)

Agent: _____
(Print Name)

Date: _____

NCG Real Estate, LLC

225 Tecumseh Court, Raleigh NC 27607

Office: (919) 376-9364

Cellular: (919) 413-8735

Fax: (919) 882-8735

Email: nealgoodwin@yahoo.com

Owner _____

Agent _____

PROPERTY MANAGEMENT CHECK LIST
Signing of this section is a binding contract

Property Address:

(Print Street Name)

(Print City, State, Zip)

- ✓ Provide the signed Property Management Agreement to NCG Real Estate, LLC.
- ✓ Provide NCG Real Estate, LLC with three (3) sets of keys for your property. Two sets will be given to the tenants and the other set will be retained by NCG Real Estate, LLC in order to do inspections and in case of an emergency. *Make sure you keep a set as well.
- ✓ Provide NCG Real Estate, LLC with a copy of your rules and regulations of your subdivision. Include the name and the telephone number of the Home Owners Association. If you do not have a set of rules and regulations, one can be obtained for you from your HOA, but there will be a minimum charge of \$25.00 (some HOAs may charge more) to pay for the rules and regulations.
- ✓ Provide NCG Real Estate water well water and/or septic system information including location of septic system.
- ✓ Provide NCG Real Estate, LLC information you may have pertaining to warranties on your home, i.e.: the appliances in your home or the HVAC system. Please include the name of the company, the telephone number and the contact person. If you have any preferred vendors, please include their names and telephone numbers.
- ✓ Provide NCG Real Estate, LLC completed Tax ID Form W9. NCG Real Estate, LLC assumes no liability and/or responsibility for Landlord's failure to completed Tax ID Form W9.
- ✓ Make sure that all smoke detectors are in working order. By state law, there must be a functional smoke detector on each floor of the house and the batteries MUST be replaced for each new tenancy. Also, if you do not have a carbon monoxide detector you may want to consider purchasing one or contacting us to do that on your behalf.
- ✓ Replace filters and leave a few extra.
- ✓ Provide NCG Real Estate, LLC with your bank details (see item 26)
- ✓ Provide NCG Real Estate, LLC with your address, all telephone numbers and e-mail address.
- ✓ On the Property Management Agreement, please provide the name of your insurance company, agent name and number, and policy number. **Change Insurance to Landlord Policy.** Tenant's lease contract will require them to have "Renter" insurance and their own liability.
- ✓ Please advise if you have an irrigation system. If so, please provide us with the name and number of the contractor who will take care of removing the backflow preventor in the winter and replacing it in the spring. If you do not provide us with a preferred contractor, we will use one of our preference. This is a LANDLORD EXPENSE. NCG Real Estate, LLC assumes no liability and/or responsibility for Landlord's failure to inform NCG Real Estate, LLC of an irrigation system.
- ✓ Please advise if you have a well water and/or septic system. If you have any preferred vendors, please include their names and telephone numbers. This is a LANDLORD EXPENSE. NCG Real Estate, LLC assumes no liability and/or responsibility for Landlord's failure to inform NCG Real Estate, LLC of a water well water and/or septic system.
- ✓ _____
- ✓ _____
- ✓ _____
- ✓ _____

Owner 1: _____
(Signature)

Date: _____

Owner 2: _____
(Signature)

Date: _____

Owner 3: _____
(Signature)

Date: _____

Agent: _____
(Signature)

Date: _____

Owner _____

Agent _____