



Property Management **HANDBOOK**



Putting the Pieces Together



Dear Property Owner,

Thank you for your interest in our property management program. Our team is excited for the opportunity to work with you. Because it is hard to impart our years of real estate experience in a brief letter outlining our process, we have enclosed several different forms in hopes that you will receive an accurate view of our total approach to property management. Always remember that paper work alone does not guarantee a successful experience with investment property. An understanding of your needs, coupled with laser-focused attention to detail, increases your chance of a positive outcome (*or cash flow*).

Our company's focus is primarily on property management. This enables us to understand the requirements of our investment property owners, which simplifies our role and allows us the time and energy to concentrate on serving your management needs. To serve you well, we must communicate successfully with you. Our best communication tool is our detailed monthly accounting statement, which is emailed to you and it gives you an exact accounting of the previous month's activity.

The fee structure at Mega Agent Rental Management is very competitive and is based upon rents / monies collected. If your house is vacant, you do not pay management fees until we get it rented. We actively pursue qualified tenants who are willing to care for your home as if they own it. We work to develop a solid relationship with each tenant. Our experience has found that a successful property management program is based on the *fragile* balance between satisfied & profitable property owners and happy tenants. Happy tenants prefer to stay where they are and renew their lease.

Our property managers are aware of each property, its history and the owners' eventual goal for the property. Inspections, scheduled and unscheduled, are necessary to ensure your property is given the level of care you expect. We do not make any money or take a percentage override on routine/normal repairs you incur while having your home managed by our team.

Our team's extensive Internet marketing and direct communication with thousands of Birmingham Realtors makes getting your property rented a smooth and successful process. We will also advise you on the absolute best monthly rental rate to charge so that you attract the best tenants possible.

We are continually analyzing our procedures, looking for ideas that will improve our process. Your input is very important to us. Please take a minute to review the enclosed forms and information. If you have any questions, ideas, or suggestions, please give us a call. Call us anytime at (205) 267-1520.

We look forward to getting to know you and your management needs better.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Collier Swecker".

Collier Swecker
Owner, Mega Agent Rental Management LLC

Answers To Your Questions!

You have Questions - We have Answers.





ANSWERS TO FREQUENTLY ASKED QUESTIONS

1. What fees will I incur if Mega Agent Rental Management manages our property?

The two most common fees that you will incur with Mega Agent Rental Management is our monthly management fee and a marketing fee for the procurement of tenants for your property. Our typical management fee is 10% of gross monies collected from tenants every month. Our marketing fee is equivalent to the value of one months rent. To see all of the fees that may be incurred when you have your home professionally managed by Mega Agent Rental Management, please review our Residential Management Agreement that can be found in this Property Management Handbook.

2. When will I get my money every month? Rents are due in our office the 1st day of each month. If rents are received by the 5th of the month, disbursements will be mailed or processed by the 10th of each month or the first business day after the 10th, should the 10th fall on a weekend or holiday. As it takes a day or two for banks to process deposits, this means that the deposits should show in your bank account around the 12th of the month. If rent is late, we will make every effort to get disbursements out to you as quickly as possible after receiving payment.

3. What will I have to do to put my property in management? Initially, all paperwork will be completed and entered into our system. You will need to deposit \$300 with our office, which will be used to fund your home's Maintenance Reserve Fund that we will use for incidental repairs that come to light during the management period. The \$300 is always your money and will only be used to make repairs at your property (*it will be refunded when we no longer manage your property*). Make sure that you have the home cleaned thoroughly and the lawn manicured prior to listing the home and prior to the tenant moving in. If the tenants go into a clean house with a manicured lawn, we can hold them to the same standards when they move out. Also, the better the property looks, the faster it will rent. All appliances should be in good working order. If they are not in good working order, have them repaired or replaced.

4. What will you do to rent or market my house? We give your home maximum exposure through our ProActive Marketing System. We rigorously scrutinize the backgrounds of all prospective tenants. Some of the activities that we utilize in our marketing system include:

MLS – Your rental property data is entered in the Birmingham Area Multiple Listing Service (MLS) giving access to more than 3,500 other Realtors and the many prospective Renters who utilize websites with a direct MLS feed.

All MLS rental listings are now available to home searchers through the various public internet gateways, such as Realtor.com and MegaAgentRentals.com, as well as many others.



SOCIAL MEDIA – We are skilled at marketing your home to renters on the most popular social media platforms including Facebook, Instagram, and Twitter.

INTERNET LISTINGS – Our inventory of currently listed homes for rent are posted online on the most popular rental websites complete with photos, maps and property details for the convenience of those searching for their new home. Without question you will find your home on tons of websites.

WORD OF MOUTH / REFERRALS – Current and past tenants, friends of our tenants, and referrals from other successful real estate agents.

CORRECT PRICING – Even the best and most incredible homes will not lease if they are overpriced. We make sure your rental home is priced correctly from the very beginning so that we get your home leased quickly and for the highest rent possible. Remember that no amount of marketing can overcome an overpriced listing.

THOROUGH PREPARATION – Even the best located and well priced rental homes will not lease quickly if the rental home is not in top showing condition. Homes for rent in the Greater Birmingham market absolutely must show well and have an attractive "curb appeal" or they may sit empty for extended periods. Our job as your property manager is to make sure your home is presented to the prospective tenants in a clean and attractive condition so that it will attract the absolute best tenants.

5. What happens when my home becomes vacant? Our first concern with your empty home is: "What is needed to place a new tenant into your home as soon as possible?" We know that every day a home sits empty is a wasted opportunity and a non-recoverable cost. When the property becomes vacant, it is inspected by a property manager and photographs will be taken. From the information gathered at the home and using the photos, we will determine what needs to be done to re-rent the home and what repairs are chargeable to the prior tenant's security deposit. We will also review with you any updates or repairs that we feel are needed to attract the absolute best tenants.

6. How are tenants screened? Our tenant screening process is comprehensive! We first require all tenants, over the age of 18, to undergo a credit report and criminal background check. We also require information on the applicant's rental history as well as verify their current employment.

7. Can I exclude smokers, pets, or children? Mega Agent Rental Management generally prohibits smoking in properties under our management so that we help to maximize your long term investment in the property. Tenants with pets are a large majority of the market for rental homes. By excluding pets from your property, you will substantially reduce the available number of prospective tenants - which can prolong vacancy time. We charge tenants with pets \$350 "Pet Fee" per pet with a maximum of 2 pets per home. This is a "fee" not a "deposit" so the fee is non-refundable to the tenant. If you feel very strongly about not allowing pets, we will agree not to show your property to anyone with pets.



Keep in mind, that under federal fair housing and Americans with Disabilities Act laws, you must allow legitimate service and emotional support animals to reside in the home. Additionally, you can never charge any fees or extra rent for legitimate service and emotional support animals.

Children are under the protected class of "familial status". It is not possible nor is it legal to discriminate against anyone with children.

8. If a tenant fails to pay rent, how long does it take to get them out? This is not an issue we deal with frequently. By offering a good product and a thorough screening, we find that we are seldom in this situation. Start to finish, a tenant who does not pay their rent can typically removed in 60 to 90 days from when their rent was due, depending on the court calendars. We can refer you to local attorneys who have done good jobs for our clients in the past, should you be in the unfortunate situation of having to evict a tenant.

9. What if a tenant skips or leaves before the lease expires? Tenants are responsible for rent through the expiration of the lease. If a tenant skips, we will secure the property by changing the locks, make any repairs to bring the property back to rentable standards and will begin to try to re-rent the property. If a tenant breaks their lease, they remain liable for the rents through the day that your home is rented again or through the end of the lease, whichever occurs first. (*We cannot collect rent from two parties for the same time period.*) Most tenants do not want negative reporting on their credit and our tenant screening procedures help ensure that we have as few incidents as possible.

10. What do you do if they are not taking care of my property as they should or if they have unauthorized pets? Your property manager gives the tenant an opportunity to correct the situation and usually they will. If a problem persists, we will make a decision based on that specific situation, in consultation with you as the owner of the property.

11. How long will my property sit vacant? This is the million dollar question! Unfortunately, we cannot predict who will walk through our door and what properties they will want to rent, or if they will even have adequate credit. We make every effort to lease a property as quickly as possible. Vacant properties are costly to both of us. The time of year, the condition of the property, location and price all factor into the time it takes to lease a property. Generally, the rental market does go through slow periods, but most properties rent anywhere from a few days or weeks to about a month after listing for rent. Although vacancies are unsettling, we follow our proven processes until we find the right tenant for your real estate investment.



12. Can I do my own repairs or use my own contractor? As a protection for you, the tenants, and our company, we require that contractors doing work at managed properties meet certain criteria. To maintain good trust with our tenants, we ask that they be able to respond and complete all work in a timely manner. Should you choose to do your own work, you must assume all liability and risk. *Alabama's Uniform Residential Landlord & Tenant Act of 2006* requires 48 hours written notice before entering the property and only upon tenant's permission. To avoid violating any of these laws, please coordinate all maintenance and inspections through our office.

13. Who handles emergencies? Mega Agent Rental Management will monitor all emergency and non-emergency repairs 24 hours a day. We will keep you informed, but you will never receive a call in the middle of the night.

14. Should I get a home warranty? We do not encourage landlords to purchase a home warranty for their rental property, as we cannot control who does the work on your property and the home warranty company gets to decide when the repair will be done. Often times, this causes delays that contradict Alabama's Landlord Tenant Act of 2006 and all amendments thereto. If that happens, a contractor (*not associated with your home warranty*) may need to be called in to complete the repair in a timely manner.

15. Would we be charged a lease marketing fee each time our home is re-rented? You will only be charged a marketing fee (*1 months rent*) if there are new tenants when the home is re-leased. If the home is re-leased to the same tenants for a new term, there is only a \$250 administrative lease renewal fee.

16. Are your Agents licensed Property Managers? ABSOLUTELY! We are licensed Real Estate Agents. There is no "Property Management License" in Alabama, but professional property managers in Alabama must have an Alabama real estate license in order to charge commissions and must be supervised by a licensed Alabama real estate broker.

DO YOU KNOW THESE TAX BENEFITS OF RENTING YOUR HOME?



Owning or managing rental property can be a great way to reduce your personal income taxes. Understanding which tax deductions (*benefits called "taxable losses"*) that you qualify for will help reduce your income considerably. And that means less money you owe to Uncle Sam!* Sounds great, doesn't it? If you're ready - let's get started!

*Mega Agent Rental Management always recommends working with a licensed tax professional to help you navigate the tax advantages of real estate investment. Mega Agent Rental Management cannot give tax advice as we are not certified tax professionals.

Management fees

Mega Agent Rental Management fees, like tenant procurement commissions and management fees are all tax deductible.

Maintenance

Any repairs, provided they are reasonable, are deductible in the year in which they occurred. Such repairs often include, paint, carpet cleaning, plumbing, fixing drywall, doors/locks, broken windows and lawn care. Be careful to only replace items with items of similar quality. Upgrades are considered improvements and may not qualify for a tax deduction!

Utilities & HOA Fees

All utilities that a owner / landlord pays that are directly related to the property are tax deductible. In addition, any Home Owners Association fees are also tax deductible.

Advertising

Any fee you pay, *within reason*, to advertise your property can be partially or fully expensed.

Depreciation

You can deduct a certain percentage of your property through lost value depreciation. Property that wears out, decays, gets used up or becomes obsolete over time qualifies for depreciation. Your lot and raw land is not a depreciating asset so is not included in this deduction. Make sure you take your depreciation on your taxes, or you will regret it when you sell the property.

Travel

Any travel to/from your rental properties can be expensed as mileage (standard IRS mileage rate for 2022 is 62.5¢ per mile).

Interest

The interest on your mortgage or credit cards used for management purposes can be deducted. Mortgage interest is often the single largest deduction landlords make during the tax year.

Insurance

The premiums you pay for your property can be deducted. This includes fire, theft, flood and liability insurance as well as any Home Warranty Contract purchased by the owner.

Qualified Business Income Deduction

For 2018 and beyond, the Tax Cuts & Jobs Act of 2017 established a new deduction based on qualified business income (QBI) from a pass-through business entity. The deduction generally equals 20% of QBI, subject to restrictions that can apply at higher income levels and a limitation based on your taxable income. Check with your accountant for requirements and qualifications.

Legal and professional services

You can deduct legal, accounting and real estate investment advisor fees as operating expenses.

SAMPLE ANNUAL SAVING CALCULATIONS

Annual Rent	\$20,000
Annual Expenses (35%)	\$7,000
Net Operating Income	\$13,000
Mortgage Interest	(\$12,000)
Net Income	\$1,000
Depreciation Expense	(\$8,500) <small>(1/27.5 of building cost for residential rental real estate - buildings or structures and structural components)</small>
Taxable Income (Loss)	(\$7,500)
Potential Savings	\$750 - \$2,775

This sample calculation shows a \$7,500 loss which you would then enter into your IRS 1040 form to reduce your taxable income, therefore reducing your taxes. Potential annual savings depends on your income tax bracket.

Other tax deduction bonuses and must-knows:

- You don't have to pay taxes on rental income from properties that are rented only up to 14 days.
- How much of your taxes are reduced depends on your income and filing status.
- You can deduct up to \$25,000 in losses if your modified adjusted gross income is \$100,000 or less.
- You can deduct some of the lost value that occurs on a property through depreciation. Use IRS Form 4562 to calculate depreciation.
- Be warned though, Passive Activity Loss Rules limit how much loss a tax payer can deduct each tax year.
- You cannot depreciate the value of your raw land.

Sources:

- <http://www.houseologic.com/home-advice/tax-deductions/tax-deductions-rental-homes/#>
- http://www.irs.gov/publications/p17/ch09.html#en_US_2013_publink1000171655
- <http://www.zillow.com/blog/income-taxes-for-rental-properties-144134/>
- <http://www.irs.gov/pub/irs-pdf/p527.pdf>

Management Agreement

All management fees are commission based.

That means:

No Rents = No Management Fees!

Our Management Fee is 10% of all rent / monies collected each month. We have every incentive to find you absolutely the best tenants who pay on time and occupy the property for a long time.





2635 Valleydale Road, Suite 200 • Birmingham, Alabama 35244
MegaAgentRentals.com

RESIDENTIAL MANAGEMENT AGREEMENT

This agreement is made by and between MEGA AGENT RENTAL MANAGEMENT LLC., hereinafter referred to as Broker and _____, hereinafter referred to as Owner to secure the services of Broker in the management of real property known as _____, hereinafter referred to as the Premises, for a period beginning on _____ and ending on _____ and automatically renews from year to year and subject to the following terms and conditions.

1. APPOINTMENT AND AUTHORITY OF BROKER:

- a. Owner hereby appoints Broker as the sole and exclusive Broker to rent, lease, price, manage, collect and receipt for rents and operate the Premises. The Owner however, retains the right to make management decisions concerning establishing some parameters for new tenants, rental terms, and capital or repair expenditures in excess of **\$300.00** in any **1** month and must advise Broker of these terms at onset of Agreement. The herein described property shall be rented for a price determined by comparison with recently rented comparable properties.
- b. Broker is authorized to secure the services of other real estate agents and conduct other marketing activities for purposes of securing a new tenant. Additionally, Broker is authorized to split Leasing Fees (*pursuant to Paragraph 5b below*), with other real estate agents who assist in the procurement of Tenants for the Premises.
- c. It is agreed that the Broker is entitled to compensation as provided herein in connection with any lease that may be executed during the term of this agreement, even if said lease was negotiated by the Owner or any other party. Broker shall be paid compensation at the rate as provided herein in connection with any lease which is being negotiated at the time of termination of this agreement if the tenant was introduced to the Premises by Broker.
- d. It is agreed that Broker shall make contracts as may be necessary for garbage removal, pest control, or other services that Broker may deem necessary. The Owner will be liable for such obligations which may extend beyond the termination date of this agreement.
- e. It is agreed that Broker shall only be responsible for paying bills such as property taxes, fire dues, HOA dues, termite bond renewals, property insurance, etc. after Owner has instructed Broker to pay such bills in writing.
- f. Broker to execute contracts for utilities and services for the operation, maintenance and safety of the property, as the Broker shall deem advisable and/or necessary.

2. TERMS: IN THE EVENT THAT THE PREMISES ARE RENTED OR LEASED THROUGH THE EFFORTS OF BROKER AND THE LEASE TERM RUNS LONGER THAN THE TERMS OF THE AGREEMENT, BROKER SHALL CONTINUE TO BE COMPENSATED AS STATED IN PARAGRAPH 5. In the event that the Premises are not rented or leased within sixty (60) days of the date of this Agreement, or remain vacant without being subject to a lease for any sixty (60) day period, either party may terminate this Agreement upon thirty (30) days written notice to the other party such intention to terminate, provided that such written notice is delivered to the other party prior to the rental or lease of the premises through the efforts of Broker. If the Premises contain multiple rental units, the termination provisions of this section will only apply if all units were not rented or leased within sixty (60) days of the date of this Agreement or all units remained vacant for any sixty (60) day period. Termination of this Agreement shall not adversely affect the rights of tenants under the existing leases.

3. SPECIFIC AUTHORITY FOR REPAIR AND ALTERATIONS:

- a. Owner hereby gives Broker the following authority and powers and agrees to pay promptly on demand all legitimate expenses in connection with the following:
 - i. To purchase necessary supplies.
 - ii. To contract for such utility services as Broker may deem advisable.
 - iii. To make payment of necessary repairs without consent of owner is limited to \$300 in any one month.
 - iv. To make Owner authorized repairs, alterations and decorations.
- b. In addition to other authority of Broker, Broker may pay or incur without limitation on behalf of Owner monthly or recurring operating charges and/or emergency repair, if, in the reasonable opinion of the Broker, such repairs are necessary to protect Premises from damage or maintain services to the tenants as called for by Alabama's Uniform Residential Landlord and Tenant Act of 2006, as amended and/or the Rental Agreement. Owner shall assume all financial responsibility for all charges incurred by Broker regarding Broker's responsibilities in the preceding sentence of this sub-paragraph. Broker is authorized on behalf of Owner to hire, discharge, supervise and pay any employees or contractors for work performed. All providers of services shall be deemed to be acting on behalf of the Owner and not the Broker. Broker will not be liable to the Owner or others for any act, default workmanship or negligence on the part of such persons, contractors or other workmen, provided that Broker has taken reasonable care in engaging them and/or their employees.
- c. A Reserve Fund will be established and maintained from rental proceeds in the amount of **\$300.00** to be paid from first rental payment or in the alternative the Owner may select to fund the Reserve Fund from personal funds payable at execution of this Agreement.

4. BROKER'S RESPONSIBILITIES: In addition to the foregoing, the Broker will perform the following functions on Owner's behalf:

- a. Make reasonable efforts to collect all the rents and other fees due from tenants when such amounts become due, and deposit same into an agency account maintained on behalf of the Owner, but Broker does not guarantee the payment of any tenant's rent or other fees / charges.
- b. Broker shall render monthly itemized statements of receipts, charges, and accruals, and shall remit to Owner receipts less disbursements for future expenses. In the event that disbursements shall exceed receipts, Owner shall promptly remit such excess to the Broker. Owner assumes full responsibility for the payment of any expenses and obligations incurred in connection with the exercise of Broker's duties set forth herein.
- c. Collect and place into escrow accounts, as required by law, security deposits under any lease. Broker is authorized to disburse the security deposit at such times and to such persons as Broker shall in good faith believe to be entitled to such funds in accordance with the current Alabama laws governing security deposits. Any interest earned on said deposits, shall with tenant's permission, belong to Broker. Broker shall not incur any liability for bankruptcy or failure of the depository.

5. BROKER'S COMPENSATION: In consideration of the services rendered by Broker, Owner agrees to pay Broker the following forms of compensation:

- a. **FOR MANAGEMENT:** A fee equal to 10% of gross receipts collected including all sums collectible under any leases, with a minimum fee of \$65 per month. The term "gross receipts" includes all rents, pet fees, forfeited security deposits, and all other income arising from normal operation of the premises.
- b. **LEASING FEE:** For the procurement of a Tenant(s) for whom a lease / rental agreement is signed, Broker shall be paid a leasing fee equal to 100% of the First Full Months Rent (*as established in the Rental Agreement / Lease executed between Owner / Broker and Tenant(s) for the subject premises*). The Leasing Fees under this paragraph are earned and payable at the time that this Lease is executed.
- c. **LEASE RENEWAL / EXTENSION FEE:** Each time a Tenant(s) in the Premises renews or extends a rental agreement / lease, Owner will pay Broker a renewal or extension fee equal to \$250. The renewal or extension fees under this Paragraph are earned and payable at the time the renewal or extension is effective. For purposes of this paragraph a new lease for the same Property with the same tenant then occupying the Property shall be considered an extension or renewal.
- d. **LATE FEES:** Owner & Broker shall split all Late Fees 50/50 if Tenant(s) pay their monthly rent after the 5th of the month. While Broker does not guarantee that Tenant(s) will pay the Late Fees, Broker will make efforts to enforce the Lease / Rental Agreement in the best interest of the Owner.
- e. **TENANT-OCCUPIED-PROPERTY SET-UP FEE:** \$250 (*Only Applicable if Premises already has Tenants*). This fee shall cover costs associated with setting up tenant(s) in Broker's system and converting to our lease and/or dealing with prior issues left from Owner or previous manager. This fee is non-refundable.
- f. **CHARGES TO TENANTS:** Late Rent Administration Charge, Returned Check / ACH / EFT NSF Charges, Application Fees, Tenant Lease Renewal Fees, Tenant Specific Administrative Fees, Pet Screening / Re-Screening Fees, Pet Application Fees and/or Pet Administrative Fees, to the extent allowed by applicable laws and which are paid by tenants under any rental agreement / lease shall and are the property of Broker to offset expenses in enforcing the respective provisions in the rental agreement / lease.
- g. **UNAUTHORIZED PET FEES:** Owner & Broker shall split all unauthorized pet fees collected from a Tenant 50/50.
- h. **TENANT DENIED SHOWING FEES:** Owner & Broker shall split all denied showing fees collected from a Tenant 50/50.
- i. **FINES:** Owner & Broker shall split all fines collected from Tenant 50/50.
- j. **SALE OF PROPERTY:** In addition to any leasing, management or other fee payable hereunder, Broker / Agent shall be entitled to a sales commission fee equaling 6% of the final sales price of the Property, if the Property is sold during the term of the lease / rental agreement or up to 120 days after termination thereof, to a purchaser procured by Broker / Agent even if the current Tenant is the purchaser. If the Property is actively listed for sale by another Broker, beginning in the final 30 days of a lease, and it is not sold to the current tenant, then Broker / Agent shall not be entitled to a commission in the 120 days post termination.
- k. **SERVICES EXCEEDING NORMAL MANAGEMENT:** In the event that the Owner shall request the Broker to undertake work and/or services exceeding that usual to normal property management and/or not referenced in this Management Agreement, then a fee shall be agreed upon for such work and/or services. In the case of, where the Broker will be directly involved in the supervision, there shall be a fee payable by the Owner to the Broker in the amount of 10% of all repair bills related to pre-lease / pre-management repairs and/or improvements that are performed at the subject property.
- l. **SUPERVISORY FEE FOR INSURANCE CLAIMS:** As part of our Management Fee we will assist in filing initial insurance claim forms, if requested to do so by Owner, for an Owner's property at NO additional expense. Any emergency or other vendor work or repair/replacement work pertaining to any insurance claim that we manage and oversee, there will be a 10% fee calculated based on the gross amount of all repairs performed pursuant to the repairs that are related to the insurance claim.

- m.** We will **NEVER** charge an additional fee for supervising routine / normal repairs for any rental property. We are committed to your investment success and believe that oversight of routine / normal maintenance repairs is part of our job and the management fee that you pay.

6. PAYMENT FROM OWNER'S FUNDS: Broker shall have no duty to expend Broker's individual funds in fulfillment of Broker's responsibilities under this agreement. All payments required or permitted to be made by Broker shall be made from Owner's funds. Owner agrees to deposit with Broker promptly on demand, such funds as may be necessary in Broker's reasonable judgment for performance by Broker, as provided in this Agreement. Broker shall not be responsible for any loss sustained by the Owner, by reason of nonpayment or late payment of expenses for the Leased Premises, which nonpayment or late payment resulted from Owner's failure to deposit funds or make payments as requested by Broker. Owner agrees to release and indemnify, hold harmless and defend Broker from any claims brought by a third party for breach of contract and/or non-payment for work performed by said third party and/or their subcontractors at the owner's property which is managed by Broker.

7. PREPAYMENT OF RENT BY TENANT(S): Owner agrees and understands that any prepayment of rent by any Tenant, during the term of any lease / residential rental agreement, prior to the month in which said rent is due and payable, the rents / monies shall be held in trust by Broker until such time as said paid rent is due and payable to Owner. (*As example, if rent is \$1000 a month and rent for March is due on March 1 but the tenant pays that rent on February 15 to the Broker, the Broker may not release the \$1000 rent payment to Owner until the rent is due and payable on March 1.*)

Owner is advised by Broker to consult their professional tax advisor on the effect that prepaid rent has on your individual tax situation. For IRS purposes, prepaid rent income is deemed earned in the year in which the prepaid rent is received by the Broker.

8. INSURANCE: Both the Owner and Broker agree that the Owner shall maintain Homeowner's Insurance for the above mentioned property so long as MEGA AGENT RENTAL MANAGEMENT LLC manages the subject Premises on behalf of the Owner. In addition the Owner will include MEGA AGENT RENTAL MANAGEMENT LLC as an additional insured under the Liability portion of this policy with a minimum limit of no less than \$500,000. Said Policies shall be written to protect MEGA AGENT RENTAL MANAGEMENT LLC in the same manner and to the same extent as the Owner. Owner shall provide to Broker evidence of insurance naming MEGA AGENT RENTAL MANAGEMENT LLC as additional insured within 15 days of the date of this agreement and at time of each renewal.

9. ENFORCEMENT OF LEASES: The Owner authorizes the Broker to make all reasonable efforts to enforce the terms of the lease, in accordance with the *Alabama Uniform Residential Landlord and Tenant Act of 2006, as amended* and any applicable provision of the Fair Debt and Collection Practices Act (FDCPA). Broker will comply with all applicable federal, state and local laws that are now in effect or that will come into effect during the term of this agreement. Owner agrees to pay the costs, including legal fees, incurred by Broker for such enforcement.

10. LEGAL FEES & EXPENSES: Owner shall pay all expenses (i.e. attorney fees, court costs, deposition fees etc.) incurred by Broker in obtaining legal assistance regarding legal issues / matters affecting and/or related to the premises, and/or any rental / lease agreement. Owner shall be responsible for paying for collection fees and costs of any collection agency or attorney that is hired by either the Broker or Owner to recover funds that are due to the Owner. Owner shall also pay the legal expense for legal proceedings as described in Paragraph 11 herein.

11. LEGAL PROCEEDINGS: Broker is empowered to sign and/or cancel leases on Owner's behalf, to enforce the provisions of same, to institute legal action or other proper proceedings to collect rents and other sums due, and when expedient, to settle, compromise and release such actions and suits, and to dispossess tenants, and other persons, including without limit, the institution of eviction proceedings in the name of and on behalf of Owner. Additionally, Broker may select the attorney of Broker's choice to handle any such legal matters on behalf of the Owner and to incur court costs, both at Owner's expense. Should Owner wish to institute and prosecute legal action on his/her own behalf, Owner must inform Broker in writing of such decision, prior to Broker engaging in legal proceedings on behalf of Owner. Broker is not responsible for defending owner against any claims brought against the Owner in any legal proceeding and/or court action.

12. COMMUNICATIONS/NOTICE: Owner agrees to receive any and all communications from Broker at the address, phone and/or fax numbers and the email address below. Any notice required or permitted to be given pursuant to the provisions of this agreement shall be deemed given (1) when delivered personally, or (2) on the date such notice is deposited in the United States Mail, postage prepaid, certified or registered mail return receipt requested at following addresses.

Owner: _____

Phone: _____

Address: _____

Email: _____

City: _____

State: _____ Zip: _____

13. OWNER REPRESENTATIONS AND WARRANTIES:

- a. Owner represents and warrants to Broker that Owner owns the Premises and the full right and authority to lease the Premises.
- b. Owner represents and warrants to the Broker that, to the best of Owner's knowledge, the Premises are:
 - i. free of hazardous and/or toxic wastes and/or substances (*as such terms are defined under applicable federal and state laws*).
 - ii. fit for human habitation; that there are no hidden or latent defects or conditions on or affecting the Premises.
 - iii. not the subject of any order to repair or to demolish or other order of any government authority.
 - iv. in compliance with all currently applicable laws, statutes and governmental rules and regulations. The Owner agrees that he/she will at all times during the term of this Agreement fully and promptly comply with the lawful requirements of all applicable governmental authorities.
- c. Owner declares that all mortgage payments have been made and the mortgage accounts are current.
- d. Owner acknowledges that he/she is responsible for payment of mortgages, taxes, liens, insurance, and all assessments, including HOA assessments.
- e. Owner acknowledges that security deposits may not be adequate to cover necessary maintenance, upkeep, repairs, etc.
- f. Owner warrants that there are operating smoke detectors on the premises.
- g. Broker (choose one) Shall Shall Not be permitted to allow animals on the property pursuant to any lease pursuant to any lease executed by Broker. If so, such Residential Rental Agreement/Lease shall provide for the payment of a non-refundable pet fee in the amount of no less than \$350.00 per pet with a limit of _____ pet(s), with each pet not to exceed _____ pounds. Any Pet Fees are non-refundable and will be treated like monthly rent, subject to Paragraph 5(a) above.

14. AVAILABILITY OF TENANTS: Broker shall make a good faith effort to obtain tenants for the Premises, but Broker makes no guarantee that tenants can be found.

15. CHANGING LOCKS: Owner agrees, that when one tenant vacates the property and another tenant moves in, that the Owner will have to pay to have all of the locks re-keyed.

16. DATA & RECORDS: Owner agrees to make available to Broker, all data, records and documents pertaining to the property, which Broker may require to properly exercise his duties hereunder.

17. TERMINOLOGY: The term "Lease" as found herein shall be considered the one and the same as and have the same meaning as the term "Residential Rental Agreement" or "Rental Agreement" and may be used interchangeably.

18. LEAD-BASED PAINT DISCLOSURE: For dwellings built before 1978, and as required by applicable law, a Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards (the "Disclosures") must be signed by Owner and attached to this agreement. Owner represents that either (1) the improvements on the Premises were all submitted, commenced, and constructed after December 31, 1977, or (2) the Disclosure has been fully completed and is attached to this agreement. Owner agrees to provide Broker with any such additional information or reports as may come to Owner's possession during the term of this

agreement. Owner acknowledges that Broker has informed Owner of the Owner's obligations to provide a tenant of the property with the pamphlet "*Protect Your Family From Lead in Your Home*," to provide information to a Tenant of the property with copies of available records and reports with respect to the property and lead-based paint and lead-based paint hazards, all pursuant to 42 USC 4582(d), as amended.

19. FAIR HOUSING / AMERICANS WITH DISABILITY ACT: Owner acknowledges that Owner and Broker must adhere to Federal Fair Housing and ADA requirements. Therefore, Broker shall have the final decision in the event Broker determines that any Owner's decisions conflict with said laws. Owner shall be liable for any and all fines and costs incurred to defend Owner and/or Broker that are assessed against Owner and/or Broker for such violations.

20. BINDING EFFECT: This agreement shall be binding on, and for the benefit of the parties hereto and their respective heirs, successors and assigns. This agreement shall be governed by, interpreted under and enforced in accord with the laws of the State of Alabama. This is the entire agreement between the parties and may not be modified except in writing signed by both parties.

21. BINDING AUTHORITY: This agreement shall be binding upon the successors and assigns of Broker, and upon the heirs, administrators, executors, successors, and assigns of Owner.

22. INDEMNIFICATION: Owner agrees (a) to indemnify, defend and save the Broker harmless from all loss, expense, damage, claim suits and costs whatsoever (*including without limit attorney's fees, court costs, deposition fees and other expenses*) incurred and arising from performance or attempted performance by Broker of its duties and powers hereunder whether for personal injury, breach of contract and/or property damage suffered by any person whomsoever on or about the Premises or otherwise. The Broker also shall not be liable for any error of judgment or for any mistake of fact or law or for anything; which, Broker may do or refrain from doing, hereinafter, except in cases of willful misconduct or gross negligence. The Broker shall not be responsible for any damage to the Premises, under any circumstance, by any tenant or others.

23. SURVIVAL: Indemnification and other provisions of this Agreement which benefit Broker shall survive any termination of this Agreement.

24. FORCE MAJEURE: Any delays in the performance of any obligation of Broker under this Agreement shall be excused to the extent that such delays are caused by wars, national emergencies, natural disasters, strikes, labor disputes, utility failures, governmental regulations, riots, adverse weather, and other similar causes not within the control of Broker, and any time periods required for performance shall be extended accordingly.

25. FACSIMILE AND OTHER ELECTRONIC MEANS: The parties agree that the offer, and counteroffer and/or acceptance of any offer or counteroffer may be communicated by use of a fax, electronic signature or other secure electronic means, including but not limited to electronic mail and the internet, and the signatures, initials and handwritten or typewritten modifications to any of the foregoing shall be deemed to be valid and binding upon the parties as if the original signatures, initials and handwritten or typewritten modifications were present on the documents in the handwriting of each party.

26. TERMINATION: Either Party may terminate this Agreement upon a thirty (30) days written notice to the other party. Broker shall continue to be compensated under the terms of this agreement for all monies collected through the termination date. Broker's right to be compensated under this Agreement for any past due (*at time of termination of this Agreement*) Management, Leasing, NSF, Pet Administrative Fees, Late and/or Application Fees shall survive termination of this Agreement and Owner shall pay to Broker all past due fees within 7 days of collection from Tenants. In the case of a past due Leasing Fee, said Leasing Fee shall be paid by Owner to Broker (in full) within 7 days of termination date, even if the Owner has not collected any funds from the Tenant's rent etc. Broker shall provide to Owner within 7 days of the termination date of this Agreement a written invoice of all past due fees and costs.

Owner shall comply with *Alabama Uniform Residential Landlord Tenant Act of 2006, as amended* and any other applicable laws. If Broker is unable to comply with such laws due to the action or inaction of Owner concerning the Premises, Broker may immediately terminate this agreement by reason of frustration of compliance with law, by providing written notice of termination to Owner. Upon written notice of the termination of the management agreement to the tenant(s) of Premises, Broker shall have no liability to the tenant(s) concerning any events relating to their tenancy occurring after the termination of this agreement.

WHEREFORE, the parties have executed this Residential Management Agreement or caused the same to be executed by their authorized representative.

THIS AGREEMENT supersedes all prior written or oral agreements and can be amended only through a written agreement signed by both parties.

IN WITNESS WHEREOF, the parties hereto subscribed their names on this _____ day of
20_____.

Witness

Broker / Property Manager (Authorized Representative)
MEGA AGENT RENTAL MANAGEMENT LLC

Witness

Owner

Witness

Owner

RESIDENTIAL MANAGEMENT AGREEMENT
Addendum "A"



Preferred Rent Amount: \$_____

What is the HOA fee? _____ Will this be included in the rent? _____

Send Check to Owner Deposit Check with Owner Bank Auto Deposit (ACH)

Name on Account: _____

Account Number: _____

Routing Number: _____

Broker/Property Manager Date

Witness Date

Owner Date

Witness Date

Owner Date

Lease & Rental Forms

The foundation of a well-run property management program is the rapport that develops between the Landlord and Tenant. **These forms go a long way in establishing that great relationship.**





RESIDENTIAL RENTAL AGREEMENT

State of ALABAMA

County of SHELBY

This rental agreement made at _____, ALABAMA, on this
____ day of _____, 20____, by and between Tenant(s)
_____ (hereinafter called "TENANT"), and Owner
_____ (hereinafter called "LANDLORD"), and by
Mega Agent Rental Management LLC as Agent for Landlord shall provide as follows:

1. This Rental Agreement is governed by all of the provisions found in the *Alabama Uniform Residential Landlord and Tenant Act of 2006* and all amendments thereto.

2. LOCATION: The Landlord hereby rents to the Tenant and the Tenant hereby rents from the Landlord a parcel of property located in the County of _____, State of ALABAMA, which parcel of land with improvements will constitute the premises. Said parcel of land is more particularly described as follows:

Property Address: _____

3. TERMS: This Rental Agreement shall commence on the ____ day of _____, 20____, and end on the ____ day of _____, 20____. Tenant covenants that upon the termination of this Rental Agreement, or any extension and/or renewal thereof, that Tenant will quietly and peaceably deliver up possession of the premises in good order and condition, reasonable wear and tear expected, free of Tenant's personal property, garbage and other waste, and return all keys to the Landlord.

4. LEAD-BASED PAINT DISCLOSURE FOR MOST RESIDENTIAL PROPERTIES BUILT BEFORE 1978: See Lead-Based Paint Disclosure Addendum attached. (Only Applies for Rental Properties built prior to 1978).

5. RENTAL APPLICATION: The Tenant acknowledges that the Landlord has relied upon the rental application, a copy of which is attached hereto, as an inducement for entering into this agreement, and the Tenant warrants to the Landlord that the facts stated in the application are true to the best of Tenant's knowledge. If any of the facts stated in the rental application prove to be untrue, the Landlord shall have the right to terminate the residency immediately and to collect from the Tenant any damages resulting therefrom.

6. RENT: Tenant agrees to pay Landlord a rent of \$ _____ per month, payable in advance on or before the first day of every month during said term for a total rent of \$ _____. The rent is payable to: MEGA AGENT RENTAL MANAGEMENT LLC. Or as Tenant may be advised from time to time in writing. **In the case of multiple Tenants in a single**

unit, ONE check or money order shall be submitted for the total amount of the monthly rent. Tenant agrees that failure to pay rent pursuant to the terms hereof is a willful violation of this Residential Rental Agreement.

Tenant further agrees to pay a late fee of \$_____ if rent is paid after the 5th day of the month. Where the term of the Residential Rental Agreement commences or terminates on a day other than the first day of the month, Tenant shall pay rent unto the Landlord in the amount of \$_____ per day (*based on 30 Day Month*) for each day of the month of commencement or termination of the Rental Agreement, payable prior to the Tenant taking possession upon commencement of the Residential Rental Agreement, and payable on the first (1st) day of the final month of the Residential Rental Agreement upon termination.

7. **OCCUPANTS:** Only persons designated in the rental agreement or as further modified or agreed to in writing by Landlord shall reside in the rented premises. For purposes of this rental agreement the designated occupants are:

In no event shall more than _____ persons be allowed to occupy said premises.

8. **RETURNED CHECKS / EFT / ACH:** Tenant agrees to pay \$30.00 for each dishonored / returned check, EFT or ACH for accounting costs and handling costs, plus late charges if the check, EFT or ACH is not made good before the sixth (6th) day after the due date. All future rent and charges, if more than one check, EFT or ACH is returned, shall be paid in the form of cashiers check, certified check or money order. If any check, EFT or ACH for the security deposit or the first months rent is returned for insufficient funds, the Landlord may declare this Residential Rental Agreement void and immediately terminated.

9. **RENEWAL TERMS:** The Tenant shall notify Landlord, in writing, no later than 30 days prior to the end of this rental agreement, if Tenant intends to renew the Rental Agreement for another term. All terms and conditions of any renewal / extension agreement must be agreed to in writing, by all parties and will be considered a new Rental Agreement (*even if the original Rental Agreement is incorporated therein*). Any renewal / extension shall be subject to any increase in rental rates as required by the Landlord. Landlord is under no obligation to renew or extend any Rental Agreement / Lease or future renewal / extension agreements. There is a \$100 Rental Agreement / Lease renewal fee chargeable to the Tenant and payable to Mega Agent Rental Management LLC upon the signing of each Renewal / Extension Agreement related to the property that is the subject property of this Rental Agreement.

Should Tenant choose NOT to renew this Rental Agreement for another term or does not notify the Landlord in writing of their intent to renew prior to 30 days from the end of the rental / lease period terminating, then the Tenant agrees that this Rental Agreement / Lease will be terminated at 11:59pm on the last day of the rental / lease period and Tenant agrees to vacate the premises no later than 11:59pm on the last day of the rental / lease period and to return all keys to the Landlord / Agent. Tenant shall additionally be responsible for and comply with all obligations, terms and conditions found herein and in the Mega Agent Rental Management Tenant Handbook.

Should Tenant choose NOT to renew this Rental Agreement for another term, the Landlord shall have the right to market / list the home for sale or lease within the final 30 days of the rental agreement / lease term. Tenants agree and explicitly consent to cooperate with the Landlord's real

estate agents in their showing the property and the tenants will be notified in advance of all showings. Tenant consents to a combination key lockbox being placed on the property for use by licensed real estate agents to show the property. If Landlord / Agent does not have a key to the home, the Tenant agrees to provide a key to the Landlord / Agent. Tenant will be provided with 48 hour notice of any and all marketing showings. Tenant will be charged \$100 for each showing denied by the Tenant.

a) **HOLDOVER:** If Tenant remains or continues to be in possession of the leased premises or any part thereof after the termination of this rental agreement / lease without the consent of the Landlord, said holdover shall be considered willful and not in good faith and Landlord may be entitled to recover amounts as prescribed under Alabama law.

10. SUBLEASE: Tenant shall not assign or sublet said premises, or any part thereof without the written consent of Landlord. Tenant must have written permission from Landlord for guests to occupy the premises for more than 14 days.

11. UTILITIES AND SERVICES: Tenant agrees to pay for all utilities and services except _____ which will be paid for by Landlord. In the event of Tenant default on the payment of utilities, the Landlord may (but is under no obligation to) pay for the utilities and then charge Tenant as additional rent together with any penalties, charges and interest. Tenant shall be liable for any inspections required by local authorities/utility companies due to Tenant's failure to obtain service at time of occupancy or to maintain said service during the term of this rental agreement. Tenant shall pay all costs of hook-ups, connection fees and security deposits in connection with providing utilities to the premises during the term of the Rental Agreement.

The Tenant shall be responsible for all costs associated with trash / garbage pickup, if trash / garbage pickup is not provided by a municipality as part of property taxes. Tenant shall provide their own trash container consistent with trash / garbage vendor requirements, should one not be provided by the vendor.

When the Landlord and/or any Agent / Manager of the Landlord finds there to be no electrical service at the property for a period of 7 consecutive days, the Tenant will be presumed to have abandoned the property.

12. TENANT OBLIGATIONS: Tenant agrees to comply with §35-9A-301, Code of Alabama 1975 and all amendments thereto, along with other applicable provisions of Alabama's Uniform Residential Landlord and Tenant Act of 2006 and all amendments thereto. Tenant agrees to keep the dwelling unit and all parts of the premises that they lease, safe and clean. Tenant agrees to maintain the property in the same condition as the property was delivered to the tenant at occupancy. Tenant shall be responsible for all damages to the property beyond normal wear and tear.

Tenant shall maintain the lawn and shall keep the lawn mowed, edged, free of weeds and free of fire ants. Tenant shall ensure that all flower beds are free of weeds and shall maintain fresh pine straw or mulch, as the case may be. Tenant shall ensure that all Natural areas that are part of the landscaping are free of weeds. Any pine straw or mulch shall be of the same type and color as found in the flower bed at the time that tenant took possession of the home or lease start date (whichever is first). Tenant shall keep all shrubs and landscaping neatly trimmed. Tenant shall keep the roof and gutters free of leaves and debris. Tenant agrees to be responsible for removal of Tenant's contagious and other hazardous materials. Tenant shall be responsible for

any and all pest control on the property. Tenant agrees to comply with the rental agreement and rules & regulations the landlord may adopt concerning the Tenants' use and occupancy of the premises.

Tenant shall be responsible the installation and cost for the replacement of any and all light bulbs.

Tenant shall repair, at Tenant's sole expense, any and all damage to the property, including but not limited to any provided appliances or system, caused by the Tenant and/or any member of Tenant's family, guest or other person under the Tenant's control. Tenant also agrees to pay for the cost of all repairs made necessary by negligence or careless use of the premises, by the Tenant and/or any member of Tenant's family, guest or other person under the Tenant's control. Tenant also agrees to pay for repairs and loss resulting from theft, malicious mischief or vandalism by Tenant and/or any member of Tenant's family, guest or other person under the Tenant's control. Tenant agrees to provide copies to landlord of any inspection reports or repair estimates that Tenant may obtain. Tenant agrees to report to landlord any malfunction of or damage to electrical, plumbing, HVAC systems, smoke detectors, and any occurrence that may cause damage to the property.

Tenant agrees to be responsible for and to make at Tenant's expense all routine maintenance, including but not limited to, stoppage of sewer because of misuse or broken water pipes/fixtures due to neglect or carelessness of Tenant and/or any member of Tenant's family, guest or other person under the Tenant's control. No repairs, alterations or changes in or to said premises or the fixtures or appliances contained therein, shall be made except after written consent of Landlord, and shall be the responsibility of the Tenant for the cost of restoring said premises to their original condition if Tenant makes any such unauthorized modifications. NO REPAIR COSTS OR EXPENSES OF ANY KIND SHALL BE DEDUCTED FROM RENT BY TENANT. All improvements or repairs made by Tenant to said premises shall become the property of the Landlord / Owner.

Tenant agrees to be solely responsible for any damage to the leased premises caused by Tenant's appliances and/or furniture. Tenant is responsible for changing HVAC filters, reporting any water leaks, lighting pilot lights, checking for tripped breakers, changing smoke detector batteries and minor housekeeping repairs. Tenants are responsible for and will be held liable for any damage to HVAC systems caused by dirty or missing filters and damages resulting from unreported HVAC problems. Tenant acknowledges that Tenant has inspected the premises and agrees that the premises and any common areas are in a safe and habitable condition.

Tenant shall not change locks on the home without written permission from the Landlord / Agent and if approval for lock changes is granted then a key to the home shall be supplied immediately to the Landlord / Agent.

Should Tenant make any maintenance request on the Landlord / Agent, that request must be in writing and dated. Therefore it is strongly suggested that any maintenance requests be submitted via Agent's website or via the online Tenant Portal. Tenant, or any member of Tenant's family, guest or other person under the Tenant's control, shall conduct themselves in a manner that will not disturb other Tenants' and neighbors' peaceful enjoyment of the premises. Tenant, or any member of Tenant's family, guest or other person under the Tenant's control, shall not engage in or facilitate criminal or drug related activities. Any such violation constitutes a substantial violation of the lease and a material noncompliance with the Rental Agreement / Lease and is grounds for termination of tenancy and eviction from the premises.

13. MAINTENANCE OF PREMISES: Landlord agrees to make repairs and do what is necessary to keep the premises in a fit and habitable condition as specified in the Alabama

Uniform Residential Landlord and Tenant Act of 2006 and all amendments thereto. The Landlord further agrees to maintain in a reasonably good and safe working condition, all electrical, gas, plumbing, sanitary, HVAC, smoke detectors and other facilities supplied by them. Landlord is not responsible for changing batteries in smoke detectors or light bulbs. If the Landlord or Management has provided a washer and dryer in the premises for the Tenants use, the washer and dryer are provided for the Tenant's convenience and are provided in "as-is" condition and no repairs (or replacement) will be made to the washer and dryer that have been provided.

14. ESSENTIAL SERVICES: The Landlord is required to provide essential services; meaning sanitary plumbing or sewer services; electricity; gas, where it is used for heat, hot water, or cooking; running water, and reasonable amounts of hot water and heat, except where the building that includes the dwelling unit is not required by law to be equipped for that purpose, or the dwelling unit is so constructed that heat or hot water is generated by an installation within the exclusive control of the Tenant and supplied by a direct public utility connection.

15. INSURANCE: Tenant shall be responsible for insuring his/her own possessions against fire, theft and other catastrophes. Additionally it is strongly encouraged / suggested for Tenant to obtain a policy of insurance that covers them for Personal Liability. It is strongly suggested that Tenants obtain what is commonly referred to as a "Renters Insurance".

16. RIGHT TO ACCESS: The Tenant shall not unreasonably withhold consent to the Landlord to enter the property to inspect the premises; to make necessary or agreed repairs, decorations, alterations, or improvements; supply necessary or agreed services; or exhibit the property to prospective or actual purchasers, mortgagees, tenants, workmen, or contractors. The Landlord or Landlord's agent may enter the dwelling unit without consent of the Tenant in case of emergency.

The Landlord and/or Landlord's Agent shall not abuse the right of access. Except in cases of emergency or unless it is impracticable to do so, Landlord shall give the Tenant at least two (2) days notice of the Landlord or Landlord's Agents intent to enter and may enter only at reasonable times. Posting on the primary door of entry to the residence of the Tenant stating the intended time and purpose of the entry shall be a permitted method of purpose of the Landlord or Landlord's Agents right of access to the premises. If Landlord / Agent does not have a key to the property, the Tenant agrees to provide access to the property.

The Landlord and/or Landlord's Agent has no other right of access except; pursuant to court order, as permitted by the *Alabama Uniform Residential Landlord and Tenant Act of 2006 and all amendments thereto* when accompanied by a law enforcement officer at reasonable times for the purpose of service of process in ejectment proceedings, or unless the Tenant has abandoned or surrendered the premises, or as otherwise allowed by law.

17. MILITARY CLAUSE: If the Tenant is a member of the Armed Forces of the United States, stationed in the Birmingham area, and shall receive permanent change of station orders out of the area, Tenant may, upon presentation of a copy of said orders of transfer to the Landlord, along with thirty (30) days written notice of intent to vacate and payment of all rent to the expiration date of such written notice, and any miscellaneous charges in arrears, terminate this Rental Agreement. Normal enlistment termination or other type discharge from Armed Forces, unless due to conditions beyond the service member's control, or acceptance of government quarters is not a permanent change of station and is not justification for lease termination. Withholding knowledge of pending transfer or discharge at time of entry into this Rental Agreement voids any consideration or protection offered by this section.

18. **DESTRUCTION OR DAMAGE TO PREMISES:** If the dwelling unit or premises are damaged or destroyed by fire or casualty to the extent that normal use and occupancy of the dwelling unit is substantially impaired, the Tenant may:

- (a) immediately vacate the premises and notify the Landlord in writing within fourteen days thereafter of Tenant's intention to terminate the rental agreement, in which case the rental agreement terminates as of the date of vacating; or
- (b) if continued occupancy is lawful, vacate any part of the dwelling unit rendered unusable by the fire or casualty, in which case the Tenant's liability for rent is reduced in proportion to the diminution in the fair-market rental value of the dwelling unit.

Unless the fire or casualty was due to the tenant's negligence or otherwise caused by the tenant, if the rental agreement is terminated, the landlord shall return security deposit to the tenant with proper accounting as required by law. Accounting for rent in the event of:

1. **CONDEMNATION:** Tenant hereby waives any injury, loss or damage, or claim therefore against Landlord resulting from any exercise of a power of eminent domain of all or any part of the rented premises or surrounding grounds of which they are a part. All awards of the condemning authority for the taking of land, parking areas, or buildings shall belong exclusively to the Landlord. In the event substantially all of the rented premises shall be taken, this Rental Agreement shall terminate as of the date the right to possession vested in the condemning authority and rent shall be apportioned as of that date. In the event any part of the property and/or building or buildings of which the rented premises are a part (*whether or not the rented premises shall be affected*) shall be taken as a result of the exercise of a power of eminent domain, and the remainder shall not, in the opinion of the landlord, constitute an economically feasible operating unit, Landlord may, by written notice to Tenant given within sixty (60) days after the date of taking, terminate this Rental Agreement as of a date set out in the notice not earlier than thirty (30) days after the date of the notice; rent shall be apportioned as of termination date.

19. **ABSENCE, NON-USE AND ABANDONMENT:** The unexplained absence of a Tenant from a dwelling unit for a period of 14 days after default in the payment of rent must be construed as abandonment of the dwelling unit. If the Tenant abandons the dwelling unit for a term beginning before the expiration of the rental agreement, it terminates as of the date of the new tenancy, subject to the other Landlord's remedies. If the Landlord fails to use reasonable efforts to rent the dwelling unit at a fair rental or if the Landlord accepts the abandonment as a surrender, the rental agreement is considered to be terminated by the Landlord as of the date the Landlord has notice of the abandonment. When a dwelling unit has been abandoned or the rental agreement has come to an end and the Tenant has removed a substantial portion of personal property or voluntarily and permanently terminated the utilities and has left personal property in the dwelling unit or on the premises, the Landlord may enter the dwelling unit, using forcible entry if required, and dispose of the property. Abandonment by Tenant shall also be found where there is no electrical service at the property for a period of 7 consecutive days.

20. **SECURITY DEPOSIT:** Tenant agrees to deposit with Landlord a security deposit of \$_____, equal to one (1) month's rent, to be held as security for the full and faithful performance by the Tenant of all terms and conditions herein, it being understood and agreed to that no part of this deposit is to be applied to any rent which may become due under this rental

agreement, except as provided below.

Upon termination of the tenancy, the \$_____ held as Security Deposit by Landlord may be applied to the payment of accrued rent, damages, fees, charges and the amount of loss of rents or damages which the Landlord has suffered by reason of the Tenant's non-compliance with this Rental Agreement and the Alabama Uniform Residential Landlord and Tenant Act of 2006, as amended. Any deduction from the Security Deposit must be itemized by written notice by Landlord to the Tenant, along with any additional amounts due, if any, and must be delivered to the Tenant via First Class US Mail within 60 days after termination of the tenancy and delivery of possession of the property by the tenant to the Landlord / Agent, whichever is later. The refund of any Security Deposit due to Tenant (if any) shall be delivered to the Tenant within the 60 days.

Any deposit unclaimed by the tenant as well as any check outstanding shall be forfeited by the tenant after a period of 90 days and become the sole property of the Landlord / Owner.

It shall be the sole responsibility of all Tenant(s) to provide to Landlord / Agent a valid forwarding address, prior to the termination of the Rental Agreement / Lease. If the Tenant fails to provide a valid forwarding address, the Landlord shall mail, by first class mail, the deposit or itemized accounting, or both, to the last known address of the Tenant or, if none, to the Tenant at the address of the property that was leased herein.

In order for the full amount of the Security Deposit to be returned to the Tenant, the following conditions should be fully satisfied:

1. There are no unpaid fees, charges, damages, or rents due by Tenant to Landlord hereunder.
2. The premises, including all appliances, have been cleaned thoroughly, in accordance with Landlord and/or their Agent's written MOVE-OUT POLICY. If Resident fails to clean in accordance with the written MOVE-OUT POLICY, reasonable charges to complete such cleaning shall be deducted.
3. After inspection by either the Landlord and/or their Agent, appropriate charges will be added to the Tenants' ledger and will be deducted from the Tenants' Security Deposit for any unpaid damages or repairs to the premises or its contents (beyond reasonable wear & tear).

The Security Deposit or other like amounts received by Landlord from Tenant pursuant to this Rental Agreement will be held and disbursed subject to the terms of this Rental Agreement / Lease and the Alabama Uniform Residential Landlord and Tenant Act of 2006, as amended. In the event Landlord appoints his agent, broker or manager to hold and disburse funds, Tenant hereby consents to such appointment.

In the event of a sale of the premises by Landlord, upon Landlord's compliance with the Alabama Uniform Residential Landlord and Tenant Act of 2006, as amended. Tenant will look solely to the successor Owner / Landlord, or said successor Owner / Landlord's agent, broker or manager, as the case may be, for satisfaction of all claims relating to said security deposit, and shall not look to original Landlord / Owner or original Owner / Landlord's agent, broker or manager, as the case may be.

The Security Deposit shall be held by the Landlord or his agent, broker, or manager without interest to the Tenant. Any interest earned shall accrue to the Landlord, agent, broker or manager.

In situations where there are multiple roommates signed to this Residential Rental Agreement,

only one Security Deposit refund check will be issued, if applicable, and only in the name of one tenant. It shall be the responsibility of the tenants' to equally and/or equitably divide the Security Deposit check proceeds amongst themselves. If any tenant(s) individually abandon / leaves the property and is released from this rental agreement whether with or without the approval of the Landlord, they understand that they will relinquish any claim to the Security Deposit funds being held by the Landlord / Agent and said departing tenant understands that they must seek any compensation for the which they believe they may be entitled from the remaining tenants.

If there is a bona fide dispute over the Security Deposit, holder of Security Deposit funds may, (*but shall not be required to*), interplead the funds into a court of competent jurisdiction upon notice to all parties having an interest in the Security Deposit.

21. PERSONAL PROPERTY LEFT ON PREMISES AFTER EXPIRATION OF TERM. If Tenant's right to occupy the premises end because of the end of the lease or because of default, then Tenant(s) must remove all of its / their personal property. If the lease has ended naturally, then all personal property must be removed by the last day of the Residential Rental Agreement's term.

If Tenant is in default, then all personal property must be removed by the date set out in Landlord's (or their Agent's / Property Manager's) notice letter. Any personal property left on the premises after those dates will be stored for fourteen (14) days and then discarded. Tenant will be financially responsible for / liable for all property removal / discarding costs, moving and storage charges, and will not hold Landlord / Landlord's Agent liable or responsible for damage caused by simple negligence in removing or storing the property.

22. DEFAULT OF RENTAL AGREEMENT BY TENANT: If there is a noncompliance by the Tenant with the rental agreement other than nonpayment of rent or a noncompliance with Paragraph 12 above, the Landlord may deliver a written notice to the Tenant specifying the acts and omissions constituting the breach and that the rental agreement will terminate upon a date not less than 7 business days after receipt of the notice, if the breach is not remedied in 7 business days.

The rental agreement shall terminate as provided in the notice except that: If the breach is remediable by repairs or otherwise and the Tenant adequately remedies the breach before the date specified in the notice, or if such remedy cannot be completed within 7 business days, but is commenced within the 7-business-day period and is pursued in good faith to completion within a reasonable time, the rental agreement shall not terminate by reason of the breach.

If rent is unpaid when due, the Landlord may deliver a written notice to terminate the lease to the Tenant specifying the amount of rent and any late fees owed to remedy the breach and that the Rental Agreement will terminate if such breach is not remedied within seven (7) business days after receipt of the notice.

The Landlord may recover actual damages and obtain injunctive relief in district or circuit court without posting bond for any noncompliance by the Tenant with the rental agreement or Paragraph 12 above.

If Tenant ever wishes to move out and terminate this Residential Rental Agreement before the ending date of the Residential Rental Agreement, Tenant shall provide Landlord / Agent a written request to for early termination of Residential Rental Agreement. The Tenant shall remain responsible for all rents and unpaid back rent, fees incurred / accrued under the Residential

Rental Agreement, charges incurred / accrued under the Residential Rental Agreement, along with other damages to Landlord as allowed by Alabama law, until a new tenant takes possession, or the term of current Residential Rental Agreement expires (whichever is first).

If there is noncompliance by the Tenant with Paragraph 12 above, materially affecting health and safety that can be remedied by repair, replacement of a damaged item, or cleaning and the Tenant fails to comply as promptly as conditions require in case of emergency, or within seven (7) business days after written notice by the Landlord specifying the breach and requesting that the Tenant remedy it within that period of time, the Landlord may enter the dwelling unit and cause the work to be done in a workmanlike manner and shall in addition have the remedies available under the Alabama Uniform Residential Landlord and Tenant Act of 2006, as amended.

If there is noncompliance by the Tenant with Paragraph 12 above materially affecting health and safety other than as set forth in the preceding paragraph, and the Tenant fails to comply as promptly as conditions require in case of emergency, or within seven (7) business days after written notice by the Landlord if it is not an emergency, specifying the breach and requesting that the Tenant remedy within that period of time, the Landlord may terminate the rental agreement. If the rental agreement is terminated, the Landlord has a right to possession and for rent and a separate claim for actual damages for breach of the rental agreement / lease.

Tenant understands and all parties agree that any and all claims of any kind, including monies due to the Landlord by the Tenant that are not satisfied by Tenant may be turned over to a collection agency or attorney for collection efforts. Additionally, the Tenant understands that the Landlord / Landlord's Agent may report any debts owed to / monies due to the Landlord by the Tenant to any of the credit bureaus.

The right of the Tenant to cure any breach of this Residential Rental Agreement is limited to 2 times in a 12 month period.

Except as prohibited by applicable law, a landlord may recover actual damages and obtain injunctive relief for noncompliance by the tenant with rental agreement or the obligations of the tenant under §35-9A-301 Code of Alabama, as amended.

In the event that Landlord / Agent has filed a dispossessory action against the Tenant and the Tenant brings account fully current (*including all late fees and charges*) prior to a court hearing, the Tenant shall pay to Landlord liquidated damages in the amount of \$100 and Administration Fee to Agent in the amount of \$50.

23. REMEDY AFTER TERMINATION: If the rental agreement is terminated, the Landlord has a right to possession, for accrued rent, accrued charges, accrued fees, cost of damages to the property by the Tenant and a separate claim for actual damages for breach of the rental agreement.

24. UNAUTHORIZED USE TERMINATION: Any indication of business use, unauthorized or illegal drug activities, or any criminal activities are grounds for immediate termination of this rental agreement and will be considered a breach of rental agreement terms.

25. PROHIBITIVE EQUIPMENT/FURNITURE: Tenant agrees not to place antennas, satellite dishes, waterbeds, and auxiliary heaters without written permission from Landlord.

26. NO SMOKING: Tenant acknowledges that smoking IS NOT allowed inside the rented

property. If there is evidence that Tenant has smoked or allowed smoking inside the property, this action may be considered a breach of this agreement, at the sole discretion of the Landlord. The Tenant shall also, will be responsible for any damage to the property caused by the smoking.

27. CARPET CLEANING: The Tenant agrees to pay for and have all of the carpets in the property professionally cleaned by _____ prior to termination of this agreement and return of keys to Landlord / Landlord's Agent.

28. PETS: Except for legitimate Service Animals and/or Emotional Support Animals, Tenant shall not keep domestic or other pets on or about the premises without the PRIOR WRITTEN CONSENT of the Landlord. Pets or animals are not permitted unless Landlord and Tenant execute a separate Pet Addendum and the Tenant pays any/all pet fees and deposits required under the Pet Addendum. Additionally, all pets must have pet application submitted and screening performed by PetScreening.com and any and all fees charged by PetScreening.com paid for, prior to consideration by the Landlord / Agent.

Legitimate Service Animals and/or Emotional Support Animals never incur any fees for the right to reside in the property.

Except for those Pets authorized by a Pet Addendum attached to this lease (*if applicable*), no other animals are authorized to be within the Premises. This includes, but is not limited to, pets which belong to guests or pets which are only staying for short period of time. If an unauthorized pet is found on the premises, Tenant(s) agree to pay Landlord an Unauthorized Pet Charge in the amount of \$100 per day until the pet is removed from the premises. Tenant(s) will also be responsible to have the subject property treated for fleas by Knox Pest Control and carpets cleaned by Mountainview ChemDry. Unauthorized Pets found at the subject property, is a material breach of this Residential Rental Agreement.

Additionally, a NO PET NOTICE will be attached to this Residential Rental Agreement if Tenant(s) do not have nor plan to have pets living in the premises.

29. PEACEFUL ENJOYMENT: The Landlord covenants that the Tenant, on paying the rent and performing the covenants hereof, shall and may peaceably and quietly have, hold, and enjoy the rented premises for the term mentioned without hindrance or interruption by the Landlord.

30. PROVISIONS: The provisions of this Residential Rental Agreement shall be binding upon and inure to the benefit of the Landlord and the Tenant, and their respective successors, legal representatives, and assigns.

31. SUBORDINATION: Tenant's rights are subject to any bona fide mortgage which now covers said premises and which may hereafter be placed on said premises by Landlord. Tenant shall upon request by Landlord execute a subordination of its rights under this Rental Agreement to any mortgage given by Landlord hereunder, whether to secure construction or permanent or other financing. Tenant shall upon request by Landlord promptly execute a certification of good standing certifying the terms of this Rental Agreement, its due execution, the rental provisions hereof, or the terms of amendments hereto, if any, and any other information reasonably requested.

32. RULES AND REGULATIONS: Tenant acknowledges receipt of a copy of the Mega Agent Rental Management Tenant Handbook, has had an opportunity to review its contents and understands that its contents are made part of this Rental Agreement / Lease.

The Tenant acknowledges and agrees that they must abide rules and regulations as if they were the owner of the property they are leasing, regarding any common area facilities, Home Owner Association, Condo Owners Association, and/or Townhome Owner Association facilities, if any, such as swimming pool, laundry room, recreational, clubhouse, or other common area facilities.

The Tenant agrees to faithfully abide by all Landlord, Home Owner Association, Condo Owners Association and/or Townhome Owner Association rules and regulations that the Home Owner Association, Condo Owners Association, Townhome Owner Association and/or Landlord has now or may hereafter adopt for use of the premises. The Tenant agrees that they are required to follow all Home Owner Association, Condo Owners Association, and/or Townhome Owner Association rules and regulations as if they were the owner of the property. Tenant's are strongly encouraged to review all Association Covenants and Restrictions, along with any Association Rules. It shall be the Tenant's sole responsibility to request a copy of any Association Covenants and Restriction and/or any Association Rules from the Landlord. Any fines received by the Owner from their Home Owner Association, Condo Owners Association, and/or Townhome Owner Association for violations incurred by rule / covenant violations due to actions or inaction by the Tenant and/or any member of Tenant's family, guest or other person under the Tenant's control, will be passed onto the Tenant, added to the Tenant's ledger and Tenant shall be fully responsible to the Landlord for reimbursement of all Association fines / fees incurred due to the Tenant's (and/or any member of Tenant's family, guest or other person under the Tenant's control) action or inaction as the case may be. Payment / Reimbursement of all fines is to be paid within 30 days of notice of violation / fine from the Association or Landlord.

33. JOINT RESPONSIBILITY: If this Residential Rental Agreement is executed by more than one (1) Tenant, the responsibility and liabilities herein imposed shall be considered and construed to be joint and several and the use of the singular shall include the plural.

34. LANDLORD'S ADDRESS FOR COMMUNICATIONS: All notices, requests, and demands unless otherwise stated herein, shall be addressed and sent to:

Mail: MEGA AGENT RENTAL MANAGEMENT LLC
2635 Valleydale Road, Suite 200
Birmingham, Alabama 35244
Phone: (205) 267-1520

Fax: (205) 267-1519

35. FAXSIMILIE AND OTHER ELECTRONIC MEANS: The parties agree that this may be communicated by use of a fax or other secure electronic means, including but not limited to email, the Internet, and electronic signature programs. The signatures, initials and handwritten or typewritten modifications to any of the foregoing shall be deemed to be valid and binding upon the parties as if the original signature, initials and handwritten or typewritten modifications were present on the documents in the handwriting of each party. Electronic Signatures shall be valid pursuant to the federal Electronic Signatures in Global and National Commerce Act and Alabama's Uniform Electronic Signatures Act.

36. SECURITY DISCLAIMER: Tenant acknowledges that: (1) crime can occur in any neighborhood including the neighborhood in which the Premises and Property is located; and (2) while Landlord may from time to time do things to make the Premises and Property reasonably safe, Landlord is not a provider or guarantor of security in or around the Premises and / or the Property. Tenant acknowledges that prior to occupying Property, Tenant carefully inspected all

windows and doors (including the locks for the same) and all exterior lighting and found these items: (a) to be in good working order and repair; and (b) reasonably safe for Tenant and Tenant's household and their invitees, licensees and guests knowing the risk of crime. If during the term of the Rental Agreement any of the above items become broken or fall into disrepair, Tenant shall give notice to Landlord of the same immediately.

37. MEGAN'S LAW: The Tenant and Landlord agree that the Property Manager or Real Estate Broker(s) representing Tenant and/or Landlord and all affiliated agents and employees are not responsible for obtaining or disclosing any information contained in the Alabama Sex Offender Registry. The Tenant and Landlord agree that no course of action may be brought against the Property Manager or Real Estate Broker representing Tenant or Landlord and all affiliated agents and employees for failure to obtain or disclose any information contained in the Alabama Sex Offender Registry. The Tenant agrees that the Tenant has the sole responsibility to obtain such information. The Tenant understands that Sex Offender Registry information may be obtained from the local sheriff's department or other law enforcement agencies.

38. TIME IS OF THE ESSENCE WITH REGARDS TO ALL TERMS AND CONDITIONS OF THIS AGREEMENT AND ALL ADDENDUMS HERETO.

39. DESCRIPTIVE HEADINGS: The descriptive headings used herein are for convenience of reference only and they are not intended to have any effect whatsoever in determining the rights or obligations of the Landlord or Tenant.

40. TERMINOLOGY: The term "Lease" as found herein shall be considered the one and the same as and have the same meaning as the term "Residential Rental Agreement" or "Rental Agreement" and may be used interchangeably.

41. SIDE AND VERBAL AGREEMENTS: There are no "side agreements". If the parties have any agreements other than what is in this Residential Rental Agreement, they are not enforceable unless in writing and signed by all the parties who will be bound by those agreements. There will be no oral amendments to this Residential Rental Agreement.

42. ENTIRE AGREEMENT: This Residential Rental Agreement / Lease contains the entire agreement between the parties hereto and all previous negotiations thereto, and it may be modified only by a dated written agreement signed by both Landlord and Tenant.

43. NON-RELIANCE CLAUSE: Both Tenant and Landlord hereby acknowledge that they have not received or relied nor could have relied upon any statements or representations or promises or agreements or inducements by either Broker or their agents which are not expressly stipulated herein. If not contained herein, such statements, representations, promises, or agreements shall be of no force or effect. This general non-reliance clause shall not prevent recovery in tort for fraud or negligent misrepresentation or intentional misrepresentation unless specific non-reliance language is included in this agreement. This is a non-reliance clause and is neither a merger clause nor an extension of a merger clause. The parties execute this agreement freely and voluntarily without reliance upon any statements or representations by parties or agents except as set forth herein. Parties are legally competent to enter into this agreement and to fully accept responsibility. Parties have been advised to consult with counsel before entering into this agreement and have had the opportunity to do so.

44. **SEVERABILITY:** Should any provision of this Rental Agreement be held or deemed invalid, the invalidity does not affect other provisions or application of this Rental Agreement which can be given effect without the invalid provision or application, and to this end the provisions of this Rental Agreement are severable.

**THIS IS A LEGALLY BINDING CONTRACT. IF NOT UNDERSTOOD SEEK COMPETENT
LEGAL ADVICE BEFORE SIGNING.**

WHEREFORE, the parties have executed this Rental Agreement or cause the same to be executed by their authorized representative, on the day and year first written above.

Tenant

Landlord

Tenant

Landlord's Agent



SMOKE DETECTOR ADDENDUM – ADDENDUM TO RESIDENTIAL RENTAL AGREEMENT

1. Tenant acknowledges that as of this date, the Unit is equipped with one or more detectors and that tenant agrees to inspect and test the smoke detector(s) immediately upon taking possession of the Premises.
2. Tenant agrees to inspect and test smoke detector(s). Periodically to insure proper functioning.
3. Tenant agrees to immediately report to Landlord or Landlord's agent in writing any repair or replacement necessary to make the smoke detector(s) completely operable. Within (7) days of receipt of such written notifications, management shall repair or replace the smoke detector(s), assuming the availability of labor and materials.
4. Tenant agrees to replace the batteries as needed for any battery operated smoke detector(s) in or on the Premises so smoke detector(s) is/are continuously operable. Failure of the tenant to replace batteries as needed for any battery-operated smoke detector(s) in or on the Premises shall not be considered as negligence on the part of the Landlord or the Landlord's agent.
5. Tenant agrees not to disable or render inoperable any smoke detector(s) installed in or on the Premises, nor knowingly permit any persons to do so.
6. Tenant agrees to reimburse owner, upon request, for the cost of new smoke detector(s) installation thereof in the event tenant or tenant's guests or invitees dispose of or damage the existing smoke detector(s).
7. **DISCLAIMER**

Tenant acknowledges and agrees that the Landlord or Landlord's agent is not the operator, manufacturer, distributor, retailer, or supplier of the smoke detector(s). Tenant assumes full and complete responsibility for all risk and hazards attributable to, connected with or in any way related to the operation, malfunction of the smoke detector(s) regardless of whether such malfunction or failure is attributed to, connected with, or in any way related to the use, operation, manufacture, distribution, repair, servicing or installing of the said smoke detector(s).

Landlord or Landlord's agent or employees, whether oral or implied, or otherwise have made no representation, warranties, undertaking or promises, to you regarding said smoke detector(s), or the alleged performance of the same. The Landlord or Landlord's agent neither makes nor adopts any warranty of any nature regarding said smoke detector(s) including expressed or implied warranties. The Landlord or Landlord's agent shall not be liable for damages, losses and/or injuries to person(s) or property cause by (1) tenant's failure to regularly test the smoke detector(s); (2) tenant's failure to notify Landlord's agent of any problem, defect, malfunction, or failure of the smoke detector(s); (3) theft of the smoke detector(s) or its serviceability battery; and/or (4) false alarms produced by the smoke detector(s).



8. Entire Agreement: The parties acknowledge that this written addendum is the entire agreement of the parties relative to smoke detector(s) in or about the premises. Any agreement that is in any way varies the terms of this Smoke Detector Addendum shall be unenforceable and completely void unless such agreement is writing and signed by both parties.
9. Term: The term of this addendum shall be the same term as lease renewal or extension of rental agreement.
10. Acknowledgement: I acknowledge I have read this addendum and it places a duty upon me to regularly test the smoke detector(s) and report all malfunctions of the same to Landlord or Landlord's agent.

Tenant signature and date: _____

Tenant signature and date: _____

Landlord signature and date: _____

Landlord's Agent signature and date: _____



RENTERS INSURANCE ADDENDUM

Mega Agent Rental Management LLC is not liable for any personal property belonging to the tenant(s) that may be damaged or stolen while located or stored on the premises regardless of the cause or causes not attributable to the wilful, intentional or wanton negligence of the Landlord or his agents. Mega Agent Rental Management LLC is not liable for personal injury of the tenant(s) and/or their guests.

*We recommend that ALL tenants obtain
renter's insurance.*

Renters insurance provides you with coverage for loss, damage or destruction of your personal property. It also provides coverage for additional living expense you may incur in the event the residence becomes uninhabitable. Such insurance can also protect you from any liability claims resulting from your own activities. For example, if your negligence causes a fire, you may be held responsible for damage of the property of others, including the Owner's property. Similarly, if a guest were to have an accident in your residence, you could be personally responsible for the guest's injuries.

***I HAVE READ THIS ADDENDUM AND UNDERSTAND ITS CONTENTS. I UNDERSTAND THE
IMPORTANCE OF RENTERS INSURANCE.***

Tenant signature and date: _____

Tenant signature and date: _____



SMOKE-FREE PROPERTY ADDENDUM

This Smoke-Free Property Addendum is attached to and becomes a part of the Residential Rental Agreement dated _____ regarding the property located at _____.

The Landlord has implemented a "**No Smoking**" policy due to the known health effects of secondhand smoke, increased costs incurred due to additional maintenance and cleaning, fire risks, and higher insurance costs associated with a smoking rental unit.

For this Smoke Free Property Addendum, smoking is defined as inhaling, breathing, or carrying a lit cigarette, cigar, pipe or other tobacco or non-tobacco smoked product in any form, *legal or illegal*.

The Tenant(s), occupants, and Tenant's invitees and guests acknowledge the Leased Premises are designated as a smoke-free living space. Tenant(s) are responsible for notifying all occupants, invitees and guests of this no smoking policy. No smoking anywhere within the rental unit is permitted. Where applicable, smoking shall not be permitted in any common areas, including but not limited to hallways, adjoining grounds, balconies and/or patios.

Tenant(s) acknowledges that the Landlord does not promise or guarantee of a smoke-free living space. Additionally, Tenant(s) acknowledges that Landlord's implementation of a smoke-free living space does not make the Landlord responsible for the Tenant's health or of the smoke-free condition of the Tenant's unit and the common areas. However, Landlord will try to enforce the terms within this Smoke Free Property Addendum with the Lease to create a smoke-free environment.

Tenant accepts that Landlord has limited ability to police, monitor, or enforce the terms of this Smoke-Free Property Addendum. Tenant understands enforcement depends upon the compliance of the Tenant(s), occupants, Tenant's guests and invitees. Landlord puts on notice any Tenant(s) with respiratory illnesses, diseases, allergies, or any other physical or mental condition relating to the effects of smoke that the Landlord assumes no greater duty of care to enforce this Addendum than any other landlord obligation under the Rental Agreement (Lease).

If the Tenant violates any part of this Addendum, the Tenant will then be in default of the Rental Agreement (Lease). If a default occurs, the Landlord may initiate legal proceedings under local, state and Federal regulations to evict or have the Tenant removed from the Leased

Premises and seek judgment against the Tenant for any monies owed to the Landlord because of the Tenant's default.

Tenant Signature: _____

Date: _____

Tenant Signature: _____

Date: _____

Landlord Signature: _____

Date: _____

Landlord's Agent Signature: _____

Date: _____

Monthly Statement

**This monthly statement
is sent to the Owner with
invoices, if any, usually by
the 11th day of the Month.**



Rental Owner Statement

Buildium Sample Reports
 123 Main Street
 Hometown, MA 99999

Statement Period	Statement Date
4/1/2010 - 4/30/2010	9/22/2010

Bob Sutter
 4000 Main Street
 Providence, RI 12345

Summary by Property

	72 Church St	74 Church St	76 Church St	Total
Beginning Cash Balance as of 4/1/2010	\$3,400.00	\$1,040.00	\$695.75	\$5,135.75
+ Additions				
Income	\$400.00	\$750.00	\$750.00	\$1,900.00
Owner Contribution	\$0.00	\$0.00	\$0.00	\$0.00
- Subtractions				
Expense	(\$150.00)	(\$475.00)	(\$200.00)	(\$825.00)
Owner Draws	\$0.00	\$0.00	\$0.00	\$0.00
Ending Cash Balance	\$3,650.00	\$1,315.00	\$1,245.75	\$6,210.75
-Reserve Target	(\$100.00)	(\$100.00)	(\$100.00)	(\$300.00)
=Available Cash Balance	\$3,550.00	\$1,215.00	\$1,145.75	\$5,910.75
	72 Church St	74 Church St	76 Church St	Total
Income				
Rent Income	\$400.00	\$750.00	\$750.00	\$1,900.00
<i>Subtotal</i>	<i>\$400.00</i>	<i>\$750.00</i>	<i>\$750.00</i>	<i>\$1,900.00</i>
Total Income	\$400.00	\$750.00	\$750.00	\$1,900.00
Expense				
Management Fees	\$100.00	\$100.00	\$100.00	\$300.00
<i>Subtotal</i>	<i>\$100.00</i>	<i>\$100.00</i>	<i>\$100.00</i>	<i>\$300.00</i>
Repairs				
Electrical	\$75.00			\$75.00
Plumbing		\$100.00		\$100.00
Repairs - Other	\$50.00	\$300.00		\$350.00
<i>Subtotal Repairs</i>	<i>\$50.00</i>	<i>\$375.00</i>	<i>\$100.00</i>	<i>\$525.00</i>
Total Expense	\$150.00	\$475.00	\$200.00	\$825.00
Net Income	\$250.00	\$275.00	\$550.00	\$1,075.00

Miscellaneous Forms

**These are some forms that you may
see during your time under
management with
Mega Agent Rental Management.**





2635 Valleydale Road, Suite 200, Birmingham, AL 35244 (205) 267-1520 www.MegaAgentRentals.com

Tenant History Questionnaire

1. Do you relinquish all tenant selection responsibilities and decisions to Mega Agent Rental Management? If "Yes", please sign, date and return form. If "No", please continue to questions 2-7.

Yes No

2. Are you willing to consider tenants with past bankruptcies?

Yes No

3. Are you willing to consider tenants with a credit score below 600?

Yes No

4. Are you willing to consider tenants with record(s) of prior eviction notice(s)?

Yes No

5. Are you willing to consider tenants with felony conviction(s)?

Yes No

..... misdemeanor conviction(s) other than traffic violations?

Yes No

6. Are you willing to consider tenants who use tobacco inside the home?

Yes No

..... tobacco on the property but outside the home?

Yes No

7. Are you willing to consider tenants with pets?

Yes No

If "Yes", please provide number of pets and description of what you would allow.

Please provide any additional information related to your answers above.

Owner Name – Please Print

Owner Signature

Date



ACH DIRECT DEPOSIT FOR PROPERTY OWNERS

Property Management Division, Mega Agent Rental Management, LLC

I, _____ give Mega Agent Rental Management, LLC permission to "direct deposit" the proceeds from my rental property into my checking account at:

_____ (Bank/Credit Union). My bank routing number is _____ and my checking account number is _____. I have included a voided check for the account listed above where I would like my funds to be deposited.

Property Owner Name (Please print)

Property Owner Signature

Date

Property Address

2635 Valleydale Road, Suite 200, Birmingham, Alabama 35244

Office: (205) 267-1520 Fax: (205) 267-1519

www.MegaAgentRentals.com

Request for Taxpayer Identification Number and Certification

Give Form to the requester. Do not send to the IRS.

Print or type
See Specific Instructions on page 2.

Name (as shown on your income tax return)	
Business name/disregarded entity name, if different from above	
Check appropriate box for federal tax classification: <input type="checkbox"/> Individual/sole proprietor <input type="checkbox"/> C Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Trust/estate <input type="checkbox"/> Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=partnership) ► <input type="checkbox"/> Exempt payee	
<input type="checkbox"/> Other (see instructions) ►	
Address (number, street, and apt. or suite no.)	Requester's name and address (optional)
City, state, and ZIP code	
List account number(s) here (optional)	

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on the "Name" line to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Social security number

			-		-			
--	--	--	---	--	---	--	--	--

Employer identification number

	-								
--	---	--	--	--	--	--	--	--	--

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. citizen or other U.S. person (defined below).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions on page 4.

Sign Here

Signature of
U.S. person ►

Date ►

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.