

**EXCLUSIVE RIGHT TO ADVERTISE/LEASE AGREEMENT
Residential Property**

Draft 5-9-19

Property Address: _____ ("Property")
Property Owner(s): _____ ("Owner")
Real Estate Firm: _____ ("Firm")

Through this Agreement, Owner hereby grants Firm the exclusive right to advertise the Property for lease and, if indicated herein, to secure a tenant for the Property. This Agreement shall become effective on the date that all parties have signed it ("Effective Date").

1. **DURATION.** This Agreement shall extend from the Effective Date until 11:59 p.m. on _____, 20____ or when Owner leases the Property, whichever occurs sooner.

2. **TERMS FOR LEASE.** Owner wishes the Property to be leased to a tenant or tenants on the following terms:

Initial Lease Term: _____ Rent: \$ _____/month Security Deposit: \$ _____

Renewal Lease Term: _____ Possession Date: _____

Pets: Yes No Nonrefundable Pet Fee (if pets allowed): \$ _____ Type(s) Allowed: _____

Personal Property Included (Appliances, etc.): _____

Utilities Included (if any): _____

Additional Lease Terms: _____

3. **FIRM COMPENSATION.**

A. Lease. Owner agrees compensation will be earned by Firm when the Property is leased by a tenant, regardless of whether the tenant or prospective tenant was procured by Firm. Compensation earned will be due and payable to Firm as follows:

Owner will pay _____ % of the first full month's rent or \$ _____ (flat fee) within ____ days of the signing of the lease.

Owner will pay \$ _____ or _____ % of the first month's rent at first renewal of the lease (if applicable) within ____ days of the commencement of the renewal.

B. Sale. Owner agrees compensation will be earned by Firm upon the Property's being sold under the following circumstances:

Owner will pay **Firm a fee of _____ \$ _____ or _____ % of the gross sales price** should the Property be sold, conveyed, optioned, exchanged, or otherwise transferred during the term of this Agreement but prior to the Property being leased.

Owner will pay **Firm a fee of _____ % of the gross sales price** if a tenant **who leases the Property during the term of this Agreement** agrees to purchase the Property during the initial lease term or first renewal of the lease or within _____ days after the end of the initial or first renewal lease term **of the lease.** "Purchase" shall include any agreement for purchase, including option agreements, installment contracts, rights of first refusal agreements, and any other promise or contract made by the tenant to acquire the Property. Such compensation shall be due and payable upon closing on the Property.

4. **COMPENSATION TO COOPERATING AGENTS/FIRMS.** Owner authorizes Firm to work with other agents and firms and Owner agrees to pay cooperating agents or firms \$ _____ or _____ % of the first full month's rent. Owner understands that cooperating agents may include Firm's subagents or agents representing the tenant.

5. **FIRM SERVICES**

A. Advertising. Owner agrees that Firm shall be allowed to advertise the Property for lease. This includes, but is not limited to: (i) placing signage and a lockbox on the Property; (ii) listing the Property for lease in print, on the internet, on listing services, and any other advertising medium Firm chooses; and (iii) allowing other firms to advertise the Property for lease. Should the Property not

be leased during the term of this Agreement, Owner agrees to reimburse Firm for all documented advertising expenses up to \$ _____ within ____ days of the date this Agreement ends.

Owner understands that Firm will not independently investigate or verify facts provided by Owner for advertisement, except as required by law. Owner warrants that any photographs, drawings, or other depictions or descriptions of the Property provided by Owner to Firm are Owner's property or that Owner otherwise has the right to give Firm the authority to use any such materials in connection with this Agreement. Owner grants Firm a license to use such materials in all the advertising mediums described in this Agreement. Owner agrees to fully indemnify Firm for any loss, damage, costs, or attorney's fees Firm may suffer as a result of any third-party claim that Firm's use of information or advertising materials provided by Owner violates such third party's intellectual property rights.

B. Securing Tenant.

(Check if applicable) In addition to advertising the Property for lease, Owner authorizes Firm to secure a tenant for the Property, which shall include but not be limited to soliciting tenant applications, running background or credit checks on prospective tenants, and completing a pre-printed standard form rental agreement for tenant and delivering such lease to Owner.

Owner acknowledges and understands: (i) that state and federal laws regulate the maintenance and disposal of certain personal information of consumers, such as social security numbers, drivers' license numbers, account numbers and other numbers that may be used to access a person's financial resources, and (ii) that contractual limitations with third-party providers of credit reports or other background information relating to prospective tenants may limit or prohibit Agent's dissemination of such reports/information. Owner agrees that Agent shall not be required to disclose any such information to Owner about a tenant or prospective tenant, and that if Agent does disclose any such information to Owner, Owner will indemnify and hold Agent harmless from any and all costs, expenses, attorneys' fees, suits, liabilities, damages or claims for damages of this Agreement as a result of the disclosure of any such information to or by Owner.

6. **NO MANAGEMENT SERVICES.** Owner understands and agrees that Firm will not be responsible for managing the Property whatsoever once a tenant is secured, whether by Owner, Firm or otherwise, and such tenant's lease, if secured by Firm, has been delivered to Owner. This means that absent a separate written agreement, Firm will not: (a) collect rent; (b) perform or coordinate inspection and maintenance of the Property; (c) evict tenants; (d) provide notices; or (e) provide any other services concerning the Property.

7. **PROTECTION PERIOD.** If within _____ days following the expiration of this Agreement, Owner leases or sells or agrees to lease or sell the Property to a party with whom Firm or any of Firm's affiliates has communicated during the term of this Agreement, Owner agrees to compensate Firm as if this Agreement was still in effect. Provided, however, this protection shall only be applicable to the prospects named by in writing by Firm and delivered or postmarked to Owner within 15 days after the expiration of this Agreement. Compensation due under this paragraph shall be without regard to whether Owner has listed the Property for lease or sale with another firm or agent following the expiration of this Agreement. It is understood and agreed that the provisions of this paragraph shall not apply to a tenant's purchase of the property under paragraph 3.B above.

8. **DUAL AGENCY.** Owner has received and reviewed with Firm a copy of the "Working with Real Estate Agents" brochure. Owner understands that dual agency may arise if Firm has an agency agreement with a prospective tenant. Owner accordingly:

AUTHORIZES Firm to act as a dual agent for Owner and the prospective tenant.

DOES NOT AUTHORIZE Firm to act as dual agent.

Should Firm become a dual agent, Firm will protect confidential information of Owner and prospective tenant as if Firm was acting in an exclusive agency capacity for each party, and Firm will use every reasonable effort to represent Owner and prospective tenant fairly. Owner understands that Firm must disclose all material facts as required by law. Owner agrees to indemnify and hold Firm harmless against all claims, causes of action, damages, losses, or costs, including attorney's fees, arising out of Firm's acting as a dual agent; provided this provision will not apply to Firm's violating the North Carolina Real Estate License Law or Firm's committing intentional wrongful acts. Owner understands and agrees that if Firm is a dual agent, Owner will be responsible for making Owner's own decisions as to what terms are to be included in any lease, and Owner further agrees to read any lease or other contract carefully to ensure that it accurately sets forth the correct terms.

9. **OWNER REPRESENTATIONS.** As of the effective date of this agreement, Owner represents: (a) that Owner is not subject to any other agreement with another firm or agent to lease the Property; and (b) that Owner has full right and title to the Property and is capable of entering into a lease agreement with a tenant. Owner agrees to fully cooperate with Firm and agrees that no other party, including Owner, shall offer the Property for rent during the time this Agreement is in effect, and that all showings, inquiries, negotiations, and offers from prospective tenants will be handled through Firm. Owner further represents:

HOA: Yes No (If yes, Owner must provide rules, regulations, and the HOA's contact info to Firm immediately.)
Property constructed prior to 1978: Yes No (If yes, a Lead Based Paint Addendum is required unless exempted.)
Knowledge of Underground Storage Tank: Yes No

10. **BANKRUPTCY; FORECLOSURE.** If, during the term of this Agreement, a bankruptcy petition involving Owner is filed or a foreclosure proceeding against the Property is instituted, Owner agrees to immediately notify Firm, and Firm shall have the right to terminate this Agreement immediately.

11. **DISCLAIMER AND INDEMNITY.** Firm shall not liable for any tenant's performance under any lease or other contract. Owner acknowledges that there are risks associated with advertising the Property and showing it to prospective tenants, and Owner understands that such risks are not within Firm's control. Owner specifically understands that such risks include, but are not limited to: (a) misuse of a lockbox; (b) inappropriate behavior of visitors to the Property; (c) abuse of information used to advertise the Property; or (d) inaccurate dissemination of information about the Property. Except as otherwise specified in this Agreement, Owner agrees to release and discharge Firm and Firm's agents from any and all claims, demands, rights and causes of action of whatsoever kind and nature from any damages, costs, attorneys' fees and other expenses as a result of any personal injury, property loss or damage, or monetary loss to Owner or any other person that are not caused by Firm's negligence arising directly or indirectly out of any services provided by Firm pursuant to this Agreement.

12. **ENTIRE AGREEMENT; AMENDMENT; COUNTERPARTS; SERVABILITY; ATTORNEY'S FEES; AND GOVERNING LAW.** This Agreement constitutes the entire agreement of the parties. All prior understandings, representations, and agreements are merged in this Agreement, and this Agreement shall not be modified in any manner, except by written instrument signed by all parties. This document may be executed by the parties in any number of counterparts, each of which shall be deemed an original instrument but all of which together shall constitute one and the same instrument. Should any part of this Agreement later be found to be null and void by a court of competent jurisdiction, the remaining portions shall remain unaffected and in full force and effect. If legal proceedings are instituted by Firm to enforce any provision of this Agreement, Firm shall be entitled to recover attorney's fees and court costs in addition to any other damages allowed by law. The law of the State of North Carolina shall govern this Agreement.

13. **NONDISCRIMINATION. FIRM SHALL CONDUCT ALL BROKERAGE ACTIVITIES IN REGARD TO THIS AGREEMENT WITHOUT RESPECT TO THE RACE, COLOR, RELIGION, SEX, NATIONAL ORIGIN, HANDICAP OR FAMILIAL STATUS OF ANY PARTY OR PROSPECTIVE PARTY TO THE AGREEMENT. FURTHER, REALTORS® HAVE AN ETHICAL DUTY TO CONDUCT SUCH ACTIVITIES WITHOUT RESPECT TO THE SEXUAL ORIENTATION OR GENDER IDENTITY OF ANY PARTY OR PROSPECTIVE PARTY TO THIS AGREEMENT.**

OWNER SIGNATURES:

FIRM SIGNATURE:

Individuals

Date: _____

Date: _____

Owner: _____

Firm/Agent: _____

Date: _____

By: _____

Owner: _____

Signature: _____

Business Entity

License Number: _____

Business Name: _____

By: _____

Name: _____

Title: _____