

## **Non-Exclusive Transaction Brokerage Agreement For an Unmanaged Lease**

This agreement is to be used when the Property Owner wants the Broker to supply Real Estate Services without signing an Exclusive Agreement. Under this agreement, the Property Owner retains their rights to continue to market their property and obtain their own Customer without paying the Broker any fees. The Property Owner will only owe the Broker a fee if the Broker “brings” their Customer to the Property Owner and the Property Owner accepts a Lease Application (and signs a Lease) presented by the Broker’s Customer. Or if the Property Owner requests that the Broker process a Lease Application and execute a Lease for a Potential Tenant that the Property Owner has already obtained.

The Broker will not allow the Rental Customer to pay a fee and have their credit reports pulled until there is a reasonable chance that the two parties can enter into an “agreement in principle”. In order for this to happen, the Broker needs to ask you what some of your preferences would be in the Lease. There are many responsibilities that can be reasonably assigned to either party in the Lease.

In addition, there are also important disclosures that the Broker needs to make known to you before we proceed any further.

When the Broker screens a Potential Tenant on or off a Listing Agreement, the Potential Tenant must qualify on the Broker’s Published Minimum Requirements for Lease Application Approval. If the Potential Tenant does not qualify, the Broker will automatically issue a FCRA Adverse Action Notice on behalf of the Owner, without presenting the Application to the Owner. If the Potential Tenant does qualify according to the Published Minimum Requirements for Lease Application Approval, then the Broker will forward the Application to the Owner for review. You can review all of the Broker’s published requirements for Lease Application Approval at <https://birminghamhomeleasing.com/published-minimum-requirements-for-lease-approval/>.

DO NOT proceed with completing this agreement and submitting it if you are not ready to approve a qualified Lease Application. If you ignore a qualified Lease Application, you potentially expose the Broker and yourself to a Fair Housing complaint and/or legal action. Birmingham Home Leasing does not provide legal services. If you have questions or concerns about your rights and responsibilities as a Landlord, please consult with your Attorney.

\_\_\_\_\_  **FAIR HOUSING:** It is illegal to discriminate in the sale or lease of real property based on race, color, religion, sex, handicap, national origin or familial status.

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### Brokerage Fee

The Brokerage Fee for this service is 25% of the first month's rent, which is collected at Lease execution from the initial funds presented by the new Tenant. For this fee, the Broker will:

- Show the property
- Process a Lease Application
- Forward "qualified" Applications to the Owner to review and approve
- Draft a Lease for both parties to review and sign online
- Receive the initial funds from the Tenant in the form of Cashier's Checks
- Property Move In and Move Out Condition Reports

### Professional Carpet Cleaning & House Cleaning

The Broker will perform a Move-In and Move-Out Condition Report and supply a copy to both parties.

The Lease will give instructions to the Tenant to check the Move-In Condition Report to see if the Owner or the previous Tenant paid for professional carpet cleaning and/or house cleaning when they vacated and provided an itemized receipt to the Broker. If an itemized receipt is showing in the Move-In Condition Report, then the Tenant is required to pay for professional cleaning services from the same vendor shown on the receipt.

This is the best way to ensure that your carpet and your house is clean to your satisfaction every time a Tenant vacates.

### Assignment of Lawn Care & Landscaping Responsibilities

| Assigned Responsibility:   | Tenant is Responsible for doing the work personally or hiring a Vendor to do the work: | Tenant is Responsible for paying a Vendor hired by the Landlord to do the work: | Landlord is Responsible for hiring a Vendor to do the work: |
|--|--|---|---|
| Mowing the lawn  |  |   |   |
| Fertilizing the lawn & treating for weeds & fire ants                    |  |   |   |
| Replenishing flower beds with mulch, pine straw, etc. at least once/year |  |   |   |
| Trimming the shrubs & weeding the flowerbeds at least once/year          |  |   |   |
| Maintaining a raked lawn at least once/year                              |  |   |   |
| Edging the lawn at least once/year                                       |  |   |   |

\_\_\_\_\_ **BROKER RECOMMENDS USING PROFESSIONAL LAWN CARE & LANDSCAPING VENDORS:** If you are interested and concerned about maintaining the good condition of your lawn and landscaping, the Broker recommends that you not depend on a Tenant for this. Tenants are not as well motivated to maintain the lawn and landscaping as an Owner would be. You should also consult with your Attorney before you decide to make any deductions from a Tenant's Security Deposit for failure to maintain the lawn or landscaping. You have the right to contract with a trusted lawn care and landscaping provider and require the Tenant to make the monthly payments as long as you disclose this before the Rental Customer applies and signs a Lease. If you have questions about this subject, contact the Broker.

\_\_\_\_\_ **CAUTION ABOUT MAINTAINING A WELL-WATERED LAWN:** In the Broker's opinion, if you have a large lawn and you do not have an in-ground sprinkler system installed and functional, it is unreasonable to expect a Tenant to manually water a large yard, especially during times of drought. The Broker will put a clause in the Lease to require Tenants to pay for water service when the property has an in-ground sprinkler system installed and functional.

**COLLECTING INFORMATION ABOUT YOUR LAWN:**

1. Do you have an in-ground sprinkler system installed? \_\_\_\_\_
  2. If you have an in-ground sprinkler system installed, does it cover the entire yard? \_\_\_\_\_
  3. How difficult will it be in the Fall for your Tenant to rake the leaves? \_\_\_\_\_
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**Gutter Cleaning**

The Broker cannot assure the Landlord that the Tenant will faithfully clean the gutters if the Landlord makes the Tenant responsible.

Gutter cleaning is an important responsibility that the Broker recommends that the Landlord assume. If the gutters are not cleaned on a periodic basis, it can cause damage to the roof which can be very expensive to repair.

If you assign the responsibility of gutter cleaning to your Tenant and the Tenant does not perform and major damage occurs as a result of the negligence of the Tenant, your only recourse would be to take legal action against the Tenant.

The Broker advises the Landlord to consult with their Attorney for more information on possible liability exposure in the case where the Tenant injures or kills themselves attempting to clean the gutters.

The Broker advises the Owner that during the Move-In or Move-Out Condition Reports, Agents of Birmingham Home Leasing do not check the condition of the gutters or the roof.

Select one:

- \_\_\_\_\_ The Landlord is responsible for providing and paying a Vendor to clean the gutters.  
\_\_\_\_\_ The Tenant is responsible to clean the gutters or to obtain and pay a Vendor to clean the gutters.
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### Utilities

Please list the name of the utility providers that service your rental property. Put "N/A" for any utilities that are not offered at the property. Please note if any of the utilities are included in your Taxes or HOA Fees and the Tenant is not responsible for paying for it.

Power: \_\_\_\_\_  
 Natural Gas or Propane: \_\_\_\_\_  
 Water: \_\_\_\_\_  
 Septic Tank or Sewer Company: \_\_\_\_\_  
 Garbage Collection: \_\_\_\_\_  
 Communication Services (Internet, TV, Phone, etc.): \_\_\_\_\_  
 Other: \_\_\_\_\_  
 \_\_\_\_\_

### Included Appliances

Please select all the appliances that are present in the property. You are required to maintain the operation of all supplied appliances.

stove/oven/range top  
 refrigerator  
 dishwasher  
 microwave  
 garbage disposal  
 washer  
 dryer  
 trash compactor  
 jetted bathtub(s)  
 other: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

### Please Indicate Whether Certain Appliances are Gas or Electric

| Appliance    | Gas | Electric | ? | N/A |
|--------------|-----|----------|---|-----|
| Furnace      |     |          |   |     |
| Oven         |     |          |   |     |
| Cooktop      |     |          |   |     |
| Water Heater |     |          |   |     |
| Dryer Hookup |     |          |   |     |
| Fireplace    |     |          |   |     |

### HOA's and CC&R's, etc

If your property is subject to Homeowners Association Rules or Covenants, Codes & Restrictions or an equivalent, it is your duty to provide a copy of those rules to your Tenant. The Lease will mandate that the Tenant obey those rules. If you do not provide a copy to your Tenant, the Tenant can challenge their responsibility to obey the rules.

\_\_\_ This property is not subject to HOA, CC&R type rules or their equivalent.

\_\_\_ This property is subject to HOA, CC&R or equivalent rules and I will send a copy to the Tenant immediately after they move in.

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### HVAC

How many HVAC return vents does your property have? \_\_\_\_\_

Are all of your HVAC return vents inside and easily accessible for changing the filters? \_\_\_\_\_

Are any of your HVAC return vents outside, in the attic, or in a crawlspace? \_\_\_\_\_

### HVAC Filter Delivery Service

The Broker recommends that the Landlord consider subscribing to a HVAC filter delivery service. Subscribing to such a service can serve as a valuable reminder to your Tenant to replace the filters on a periodic basis. There are many services like this available that you can find with an online search. While the Broker doesn't recommend any particular service, a vendor that advertises with the National Association of Residential Property Managers (NARPM) is a company named Filter Easy, <https://www.filtereasy.com/>. Two other companies that advertise this service are Air Filters Delivered, <https://www.airfiltersdelivered.com/> and Filter Buy, <https://filterbuy.com/>

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### Renters Insurance

You have the option to require that your Tenant purchase Renters Insurance. Renters Insurance covers the loss of the Tenant's personal property. You can also require that your Tenant show you as "Additional Insured" for liability coverage on their policy. The Broker recommends that you consult with your Attorney or Insurance Agent for advice.

\_\_\_ I DO NOT require that my Tenant purchase Renters Insurance to cover the loss of their personal property and/or also show me as Additional Insured on their policy.

\_\_\_ I DO require that my Tenant purchase Renters Insurance to cover the loss of their personal property and to also show me as Additional Insured on their policy for no less than \$300K in Liability Coverage. I understand that the Broker will require Proof of Insurance from the Tenant before the Lease is executed. I understand that the Broker will be responsible for requiring Proof of Insurance for future Lease Renewals that the Broker processes. I accept full responsibility for checking for Proof of Insurance in the situation where I renew the Lease without the Broker's assistance and/or allow the Tenant to holdover.

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### OWNER'S DUTY & RESPONSIBILITY TO DISCLOSE IMPORTANT PROPERTY CONDITIONS

The Owner has an Affirmative Duty to disclose any property conditions that could affect the health or safety of the Tenant. The types of conditions that should be disclosed include but are not limited to: Lead-based paint, Asbestos, Radon, Toxic Mold, Bed Bugs, Fleas etc.

\_\_\_\_ I am not aware of any dangerous conditions in the property that would affect the health or safety of the Tenant.

\_\_\_\_ I am aware of potentially dangerous conditions that possibly could affect the health and safety of the Tenant. Please contact me so that I can make a complete disclosure.

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\_\_\_\_ CONDITIONS THAT COULD POTENTIALLY INTERRUPT THE TENANCY: The Owner affirms that they are not aware of any conditions that could interrupt a Tenancy, including but not limited to:

- An order from a governmental authority to repair or to demolish,
  - The need for Chinese drywall testing or remediation,
  - The need for a roof or foundation repair or replacement, etc.
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\_\_\_\_ DEBTS & ACCOUNTS RELATED TO THE PREMISES: The OWNER declares that all debts and accounts related to the premises are current, including but not limited to: Mortgage(s), Property Taxes, Fire Dues, HOA Dues, Termite Bond, and Property Insurance.

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\_\_\_\_ THE BROKER DOES NOT PROVIDE LEGAL SERVICES: The Broker is responsible for producing a "Valid" Lease. A "Valid" Lease is defined as Lease which is legally enforceable in a Court of Law. The Broker is not a party to the Lease and therefore is not responsible for Lease enforcement. If the Tenant fails to perform on their promises agreed to in the Lease, the Owner, not the Broker will be responsible for hiring an Attorney and taking legal action. This includes, but is not limited to, the following situations:

- Evictions
  - Property damage caused by negligence or direct action of the Tenant
  - Tenant leaving before the end of the Lease and/or abandoning the premises
  - Tenant causing bed bug or flea infestation
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\_\_\_\_ DISCLOSURE CONCERNING TENANTS LEAVING THE LEASE BEFORE THE END OF THE INITIAL TERM: Our statistics indicate that approximately 4% of Tenants will request to leave the Lease early before the end of the initial term. Statutes are on the books that govern this situation. Landlords have the right to recover damages (loss of rental income) and Tenants have a responsibility to continue making rent payments unless and until they are replaced. The Broker's Attorney, who is a Lease Law Litigator, has advised the Broker that he's not aware of a situation where a Landlord was awarded more than confiscation of the Security Deposit in Court Trials where the Tenant left the Lease early. (This is not

being presented as legal advice but as information only, the Broker advises the Owner to seek legal advice from their own Attorney on this matter.) According to the report of the Broker's Attorney, there seems to be a significant gap between the Landlord's legal rights and the Landlord's effective rights concerning the situation when a Tenant leaves the Lease early. For that reason, the Lease will contain an early termination clause which basically states that the Landlord agrees to release the Tenant early as long as the Landlord experiences no loss of rental income and/or Brokerage Fees. You may review this clause and the entire (managed) Lease at <https://birminghamhomeleasing.com/wp-content/uploads/2018/11/lease-template-sample.pdf>

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\_\_\_\_\_ KEYS TO SECONDARY LOCKS: It is understood that the Owner will provide the Broker with keys to the primary locks on the premises. When a door has more than one lock on it, the Owner is required to provide all the keys for the locks on primary access doors. This includes keys to storm doors, etc. It is common for Owners or Agents to accidentally lock secondary locks when accessing the premises and make it impossible for the next Agent to gain access. Keys to these secondary locks will be secured on the premises in a second lock box.

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\_\_\_\_\_ VERIFICATION OF OWNER'S IDENTITY: Upon request, the Owner agrees to present a Government Issued Photo ID to the Broker for Identity Verification.

\_\_\_\_\_ This DocuSign "envelope" will expire in approximately 3 days.

\_\_\_\_\_ Term of This Agreement shall be from \_\_\_\_\_ to \_\_\_\_\_ for the property located at \_\_\_\_\_.

\_\_\_\_\_ TERMINATION BY EITHER PARTY: Either party may terminate this agreement at any time and for any reason with a written notice.

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Your Mailing Address:

\_\_\_\_\_  
Street City State Zip

\_\_\_\_\_  
Owner's Signature

\_\_\_\_\_  
Agent's Signature

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Owner's Signature

SAMPLE