

MANAGEMENT AGREEMENT

THIS AGREEMENT is hereby executed on , between Merritt Brooks , (hereinafter called the "Owner) and Hutchinson Creek Capital Co.(dba) HCC (hereinafter called the "Management Corporation"), a corporation organized and existing under the Laws of the State of New York.

WITNESSETH:

In consideration of the premises and mutual covenants herein set forth, the parties agree as follows:

1. Owner hereby appoints the Management Corporation as its exclusive agent for the care and Management of units of houses owned by owner, (called the "Property"), located at 168 market st _____, in the City of Saugerties _____, in the County of Ulster _____, State of New York _____.

2. The Management Corporation is hereby appointed the Owner's exclusive agent and attorney-in-fact with full power and authority in Owner's name and under seal to advertise the availability for rental of the Property, and to display "to rent" signs: to operate, manage and to negotiate, execute, renew, modify, and/or cancel leases for the Property or any part thereof; to collect rent due or to become due and give receipts therefor; to terminate tenancies and to sign and serve in the name of the Owner such notices as are appropriate; to institute and prosecute actions; to evict tenants and to recover possession of the Property; to sue for in the name of the Owner and recover rents and other sums due; and when expedient, to settle, compromise and release such actions or suits or reinstate such tenancies. Any lease executed for the Owner by the Management Corporation shall not exceed two (2) year _____ without written approval of Owner.

3. The Management Corporation shall be responsible for the leasing of available space in the Property to desirable tenants under terms most advantageous to the Owner.

4. The Management Corporation may employ outside brokers or locators to augment the efforts of on-the-site employees, and pay the commission currently prevailing in the locality. In order to promote such leasing, newspaper advertising, renting signs, circulars, and other forms of advertising may be utilized at Owner's expense.

5. The Management Corporation shall direct the purchase of necessary supplies; the making of contracts of electricity, gas, water, telephone, refuse disposal, vermin extermination, and for any other utility or service which the Management Corporation will also direct the making of necessary repairs and alterations and the Management Corporation agrees to secure the prior approval of the Owner on all expenditures in excess of TWO HUNDRED DOLLARS (\$200.00) _____, for any one item, except monthly or recurring operation charges and/or emergency repairs in excess of the maximum, if in the opinion of the Management Corporation such repairs are necessary to protect the Property from damage or to maintain services to the tenants as called for in their leases.

6. EMPLOYEES : The Management Corporation shall employ, supervise and control the employment, discharge and salary administration of all servants, employees, resident manager, or contractors, including attorneys and accountants, at Owner's expense, considered by the Management Corporation to be necessary for the efficient management of the Property, and shall be reimbursed by the Owner or out of the income from the Property for the wages and salaries of such employees, including payroll taxes and workmen's compensation premiums. The Management Corporation has taken reasonable care of their employment. Owner shall not reimburse the Management Corporation for salaries or expense of its executives or office personnel.

7. EXPENSES:

(a) The Management Corporation shall establish a bank account known as the Operating Account, and the funds in such account shall be and remain at all times the property of the Owner. The Management Corporation shall submit to the Owner an accounting for the expenditures for each month at the end of each month. The Management Corporation shall accompany statements with a check on said account for the balance therein, less expenses. In the event such expenses exceed the said income, Owner agrees to pay such excess to the Management Corporation, promptly on demand.

(b) From the Operating Account, the Management Corporation shall pay all expenses of operating the Property, including, but not limited to: salaries of the resident manager, maintenance personnel, janitors, maids and security guards, supplies and materials necessary for maintenance and operation, outside contract such as trash disposal, exterminators and landscaping and the Owner to assume the obligation of any contract so entered into at the termination of the Agreement.

(c) The Management Corporation shall forward all security deposits and advance rentals to said Owner each month with monthly statements.

8. Owner agrees to hold the Management Corporation harmless and to pay for the cost of defense of Management Corporation from all damage suits in connection with the management of the Property and other person whomsoever, and to carry, at his own expense, adequate public liability insurance.

9. In consideration of the covenants by the Management Corporation, owner agrees to pay the Management Corporation, as compensation for services rendered:

(a) A fee of FIVE PERCENT (5%) of all monthly rentals collected under any lease agreement in effect during the term of this Agreement by the Management Corporation or by any other party on behalf of Owner, plus;

(b) A procurement fee of ONE HUNDRED DOLLARS (100.00) per new lease agreement entered into for the Property during the term of this Agreement, plus;

(c) A procurement fee of FIFTY DOLLARS (50.00) for re-signing each new lease agreement for the Property.

10. Owner agrees to make available to the Management Corporation all data, records and documents pertaining to the Property, which the Management Corporation may require to properly exercise its duties hereunder.

11. Owner agrees to allow the Management Corporation to show the Property, at all reasonable times, and further agrees not to commit any act, which might tend to obstruct the Management Corporation's performance of any of the Management Corporation's covenants hereunder.


12. The Owner warrants that he or she is the Owner of record of the Property and that he has the authority to execute the Agreement.

13. This Agreement shall become effective on the date first above written and shall continue in effect until one (1) year from the date hereof. Thereafter, this Agreement shall automatically be renewed for periods of one (1) year each, unless other party sends written notice to the other party of its intention not to renew same and said notice. Either party may cancel said Agreement with thirty (30) day written notice to other party of its intention to cancel.

14. No failure of the Management Corporation to exercise any power given to the Management Corporation hereunder, or to insist upon strict compliance by Owner of its obligations hereunder, and no custom or practice of the parties at variance with the terms hereof, shall constitute a waiver of the Management Corporation's right to demand exact compliance with the terms hereof.

15. The Laws of the State of Georgia shall govern the interpretation, validity, performance and enforcement of this Agreement. If any provision of this Agreement shall be held to be invalid or unenforceable, the validity and enforce ability of the remaining provisions of this Agreement shall not be effected thereby.

16. This Agreement shall constitute the entire agreement between the parties, and may not be altered or amended, except in writing signed by the parties against whom enforcement of this amendment is sought. No representation, promise or inducement, not included in this contract, shall be binding upon any party hereto.

BY: 
MERRITT BROOKS

BY: 
HUTCHINSON CREEK CAPITAL CO