



Phoenix Realty of Wake County Inc.

Indemnity Clause

1. Paragraph 8 (e) of the Property Management is hereby deleted.
2. Owner shall indemnify and defend Phoenix Realty (for the rest of this document shall be named "Phoenix") and save it harmless from and against any suites, actions, damages, attorneys' fees, claims, liabilities, costs and expenses of any kind whatsoever which relate to any loss of life, personal injury or property damage; arising from the management, use or occupancy of the property or are occasioned in whole or in part by any act or omission of the Owner, its tenants, employees, and contractors. This indemnity obligation shall survive the termination or expiration of this Agreement.
3. At the commence of a signed PM agreement, Owner represents that all mortgages, taxes, and homeowner's Association dues are current and in good standing at the inception of this Agreement, and Owner shall ensure that all mortgages, taxes, and homeowner's association dues are paid when due so as not to allow them to become delinquent.
 - a. In the event that Phoenix discovers (prior to the Owner providing notices to Phoenix) that Owner's representation(s) regarding the good standing of any mortgages, taxes, and homeowner's association dues are false or that any of the above have otherwise becomes delinquent shall be considered as an act of intentional and malicious fraud by the Owner against Phoenix, and that such fraud will have injured Phoenix and shall provide Phoenix with the following legal remedies against the Owner:
 - Liquidated damages in the amount of _____, and the parties agree that said amount shall not be considered a penalty but rather a reasonable expectation of damages from Owner's fraudulent misrepresentations; and
 - Phoenix shall be paid an additional sum equal to all monies that (1) were received from the rental of the property and (2) currently held in trust for the Owner. By signing this Agreement, Owner expressly understands and agrees that Phoenix may pay itself these monies from its trust account immediately upon discovery of the fraudulent misrepresentations. In such an event, Owner hereby waives any and all legal and regulatory claims (to include any and all claims relating to fiduciary duties) Owner may make against Phoenix; and
 - immediate (same day) termination of this Agreement with notice (said notice may be oral, in writing, or email/fax), and where any provision of the Agreement conflicts in terms of providing a minimum notice provision, this subsection shall control; and
 - Phoenix shall disburse without deductions of any kind, any tenant security deposits to the tenant(s) then-currently residing at the property; and

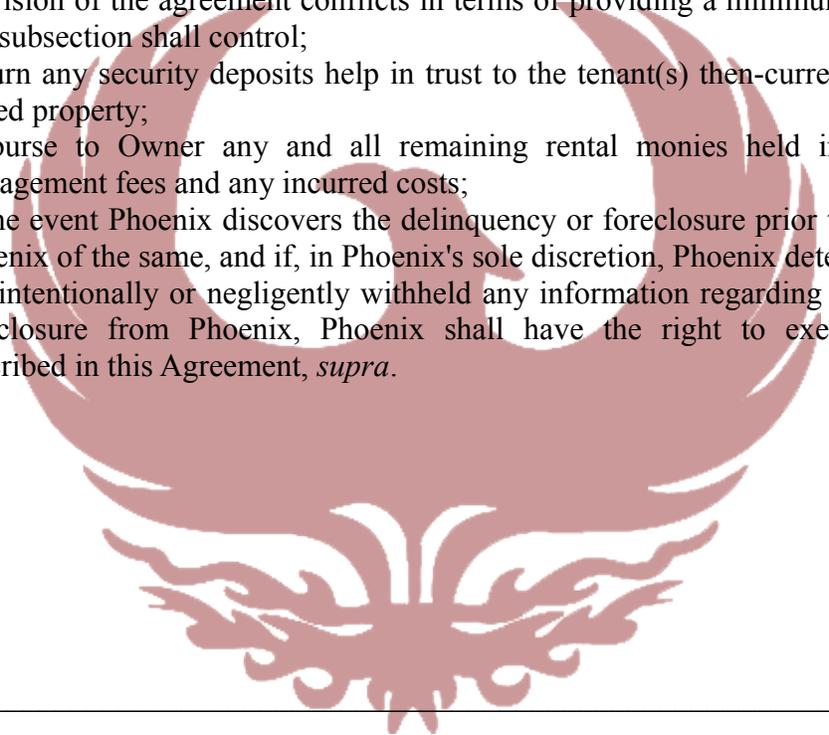
Owner Initials _____ Agent Initials _____

ver. 1.2012

- Phoenix is released from any and all duties it may have under the Agreement, including but not limited to any fiduciary duties mandated by either common law, statutory law, or any government regulation; and
- Owner shall indemnify Phoenix and hold it harmless from any and all claims arising from any source relating to the property, including but not limited to any claim brought by current or former tenants, governmental entities, or banking institutions.

b. Owner shall immediately notify Phoenix of any delinquency in any mortgage payment, taxes, or homeowner's association dues, and Owner shall immediately notify Phoenix in the event Owner receives notice of any foreclosure action against the property. In the event of any delinquency or foreclosure subsequent to the signing of the Agreement, Phoenix may

- terminate the Agreement (same day) immediately with notice to Owner, and where any provision of the agreement conflicts in terms of providing a minimum notice provision, this subsection shall control;
- Return any security deposits held in trust to the tenant(s) then-currently residing at the rented property;
- Disburse to Owner any and all remaining rental monies held in trust, less usual management fees and any incurred costs;
- In the event Phoenix discovers the delinquency or foreclosure prior to Owner notifying Phoenix of the same, and if, in Phoenix's sole discretion, Phoenix determines that Owner has intentionally or negligently withheld any information regarding the delinquency or foreclosure from Phoenix, Phoenix shall have the right to exercise all remedies described in this Agreement, *supra*.



Property Address: _____

Owner: _____ Date: _____

Owner: _____ Date: _____

Agent: Phoenix Realty of Wake County, Inc.

By: _____ Date: _____

ver. 1.2012