



Property Management Agreement

This Agreement is made and commenced on _____ between (Owner), and RentWorks Property Management, LLC (Manager). _____ (Property) In consideration of the mutual terms of this Agreement the parties agree as follows:

Term of Agreement

The term of this Agreement shall be for an initial period of 1 year beginning on _____ and ending on _____. Unless earlier terminated, the Agreement will renew annually for successive periods of 1 year each.

Upon expiration of the above initial term, this Agreement shall automatically be renewed and extended for a like period of time unless terminated in writing by either party by providing written notice no less than 30 days prior to the date for such renewal.

This document represents the entire Agreement between the parties hereto.

Employment and Acceptance. Owner employs Property Manager as the sole exclusive Agent of the Owner to lease and manage the Property (which includes, but is not limited to, listing the Property for lease and securing a tenant), upon the terms and conditions provided herein. Manager is authorized to negotiate, prepare and sign all leases, including all renewals and extensions of leases and to cancel and modify existing leases for Owner. Leases are to be written on Manager's standard lease forms.

Responsibilities of Manager

Owner hereby appoints Manager as lawful agent and attorney-in-fact with full authority to do any and all lawful things necessary for the fulfillment of this Agreement, including the following:

1. To collect all rents as they become due, giving receipts therefore and to render to Owner a monthly accounting of rents received, and expenses paid out; and to remit to Owner all income, less any sums paid out.
2. Manager shall submit appropriate forms as required by the IRS at the conclusion of each calendar year.
3. To make or cause to be made all decorating, maintenance, alterations and repairs to the property and to hire and supervise all employees and other labor for the accomplishment of the same with a project Maximum of \$5000.

_____ Owner _____ Manager

4. To advertise the property and display signs thereon; to rent and lease the property; to sign, renew and cancel rental agreements and leases for the property or any part thereof; to sue and recover for rent and for loss or damage to any part of the property and/or furnishings thereof; and, when expedient, to compromise, settle and release any such legal proceedings or lawsuits.
5. Manager is authorized to institute in Owner's name and at Owner's expense, all legal actions or proceedings for the enforcement of any lease terms, for the collection or rent or other income from the Property, or for the eviction or dispossession of the tenant or other persons from the Property. Manager is authorized to sign and serve such notices as Manager deems it necessary.

Compensation of Manager and Expenses

As compensation for the services rendered by Property Manager under this Agreement Owner shall pay Manager as follows:

- A. **Management Services.** Manager shall be paid the greater of \$__ per month or ___ of the monthly gross collected rents. Payments due to the Manager for periods of less than the scheduled periods shall be prorated. There shall be no charge paid during times the Property is Vacant.
- B. **Leasing Fee/Tenant Placement Fee.** For the procurement of a qualified Tenant(s) for whom a lease is signed, Manager shall be paid a leasing fee in the amount of the greater of \$__ or ___% of the full first month's rent.
- C. **Lease Renewals.** For lease renewals of an existing tenant, Manager shall be paid a renewal fee in the amount of \$150. This fee to include an updated contract as well as inspection of the unit.
- D. **Interest on Unpaid Sums.** Any funds due to Manager under the terms of this Agreement, and not paid within 30 days after funds have become due, are subject to an interest rate not to exceed 18% per annum.
- E. **Early Termination.** This Agreement may be terminated by Owner by written notice to Manager of not less than 30 days. Upon termination Owner shall pay to Manager any fees, commissions and expenses due to Manager under terms of this Agreement within 10 days of receiving final statement. Failure to sign a management agreement renewal will result in an automatic increase of 10% to monthly management dues
- F. **Special Charges.** During the term of this Agreement, The Owner hereby authorizes the Manager to collect from the Tenants and retain any and or all, but not limited to the following: An administrative fee for collection of late payment of rent, a charge for returned or Non-negotiated payments, interest, a rental application fee, and any other fees as determined by Manager. All such fees collected from the applicant/tenant will be made payable to Rentworks Property Management LLC and shall not be remitted to Owner.
- G. **Extraordinary Services.** An hourly fee of \$75 per hour shall be paid to Property Manager for all necessary or requested tasks not considered normal management duties. These include, but are not limited to, attendance at court proceedings, HOA meetings or payments, Utility Setup, Insurance Inspections, Appraisal Inspections, Fire/Safety Inspections, or any Section 8

_____ Owner _____ Manager

Inspections, annual property tax payments. To be prorated in 15-minute increments. This also includes any services while the home is listed for sale.

Liability of Manager

Owner hereby agrees to hold Manager harmless from any and all claims, charges, debts, demands and lawsuits, including attorney's fees related to management of the herein-described property, and from any liability for injury on or about the property which may be suffered by an employee, tenant or guest upon the property. Owner also agrees to name Manager as "additionally insured" on all insurance policy owner has on described property above.

Funds Due to Owner:

All collected funds will be made payable to Owner within no more than 15 days of receipt by Manager from Tenant. Every attempt will be made to submit payment sooner.

Access to the Property:

Owner agrees to permit Manager to use a "Lock Box" or self-showing system on the Property.

Owner Disclosure:

Owner has a duty to disclose any and all Material Facts, defects, or conditions within the Property. This includes but is not limited to: Inspection reports or testing results or similar documents addressing the issues of existence or nonexistence of mold, sinkholes, settlement issues, toxic compounds, infestations, asbestos, lead based paint, foreclosure, liens, etc.

Owner agrees to hold harmless the Manager against liability, including court costs and attorney fees, caused by the Owner's failure to disclose accurately and completely any Material Defects mentioned above.

Owner agrees that all hazardous material, including paint, have been removed from the Property prior to Tenant moving in to the Premises.

Owner/IRS Relationship:

Owner is required to file all required IRS forms and meet all IRS requirements. Owner agrees to provide Manager with appropriate IRS forms (ex W9). Name(s) on IRS forms must match Owner(s) name on the management agreement. Funds will not be disbursed to Owner until the time all forms are received by Manager. If Owner is a non-resident individual, fiduciary, foreign partnership, or foreign corporation, Manager will require a written statement pursuant to the controlling IRS Code Section.

Fair Housing

Federal and state laws make it illegal for Owner, Manager, or anyone else to use RACE, COLOR, RELIGION or RELIGIOUS CREED, SEX, DISABILITY, FAMILIAL STATUS, AGE, NATIONAL ORIGIN, SUPPORT OR GUIDE ANIMALS, as reasons for

_____ Owner _____ Manager

refusing to show or rent properties. Owner will not meet or communicate with applicants or tenants nor will Manager provide any information outside of the Renter's Qualification From.

Reserve Funding

Owner agrees to maintain a Reserve Funding balance of at least \$250 per property managed in order to allow the manager to promptly address any arising maintenance issues. Reserve funding does not negate the duty of the Manager to notify Owner of repair items that arise. Funds are not payable up-front, however are withheld from the first Owner disbursement and are then maintained on an ongoing basis. Owner shall maintain the reserve stated above at all times in the Trust Account and shall replenish balance as needed within 10 days of notification my Manager.

Maintenance Repairs:

Manager shall make or cause to be made, through contracted services all ordinary repairs and replacements reasonably necessary to preserve the Property in habitable condition. Any cost exceeding \$250 must be approved by Owner in advance, with the following exceptions: (1) In an emergency where repairs are immediately necessary for the preservation and safety of the Property, (2) to avoid the suspension of any essential services to the Property, (3) to avoid danger or life of property, or (4) to comply with federal, state or local laws.

Utilities and Services:

Owner shall, in Owner's name and at Owner's expense, negotiate for the provision of electricity, gas, water, sewer, HOA and any other services as necessary for the operation of the Property. All utility charges and deposits shall be Owner's sole responsibility. Owner authorizes Manager to communicate with the respective utility companies and services providers as Manager deems necessary during the term of this Agreement. Shall at any time a tenant fail to maintain utilities or essential services, Owner shall be responsible for any and all related costs. Owner shall, at Owner's expense have smoke detectors installed on the Property in working condition in accordance with the law prior to the tenant's occupancy.

IN WITNESS WHEREOF, the parties hereto hereby execute this Agreement on the date first above written.

Owner _____ **Date** _____

Manager _____ **Date** _____

_____ **Owner** _____ **Manager**