

Wyoming Residential Management Agreement

This agreement is entered into between _____ whose address is _____ and shall be referred to as the "Owner" and _____ whose address is _____ and shall be referred to as the "Agent".

1. **Agency:** Owner employs Agent to lease and manage Owner's residential properties. For each residential property or unit thereof that Owner wishes for Agent to manage (a "Managed Property"), Owner and Agent shall execute a Managed Property Addendum in the form attached hereto as Exhibit A. The terms and conditions of this Agreement, including its Exhibits, shall apply to Agent's management of each Managed Property identified on a Managed Property Addendum.

2. **Duties of the Agent:** In order to manage and lease the Managed Properties, the Agent shall have the responsibilities set forth below. Owner, by signing this Agreement, gives Agent all necessary authority to perform Agent's duties.

Evaluate Managed Properties and Determine Accurate Rental Rates

For each Managed Property, Agent shall, prior to renting the same for the first time on Owner's behalf, evaluate each Managed Property to determine accurate rental rates. Agent will do the following in determining appropriate rates:

- Prepare documentation relating to the interior and exterior of home.
- Offer recommendations on repairs and cosmetic improvements that maximize monthly rents while providing maximum ROI.
- Discuss with Owner the pros and cons of different policies such as accepting pets, smoking, etc.

Marketing Managed Properties for Rent

Agent shall use best efforts to lease vacant Managed Properties by:

- Preparing each Managed Property for rent;
- Take photos for marketing purposes;
- Advertising and promoting Managed Properties;
- Fielding calls from prospective tenants for questions and viewings;
- Meeting prospective tenants for showings at reasonable times; and
- Providing prospective tenants with rental applications that are legally compliant with fair housing laws.

Tenant Screening And Selection

To screen and select tenants, Agent will:

- Perform credit history, rental history, and background check, etc.

Tenant Move In

In accordance with Section 3 of the Agreement, Agent will prepare a Lease for each tenant who is to rent a Managed Property and ensure tenant's execution of the Lease and any other necessary documents prior to tenant move-in. Agent will also review lease guidelines with tenant regarding material Lease terms such as payment terms and required maintenance of the Managed Property and will provide a copy of the executed lease to the tenant.

Agent will coordinate with tenant regarding tenant's move in date and will perform a detailed move in inspection with tenant at move in. At such inspection, Landlord will fill out an inspection report and have tenant sign the same to verify the condition of the Managed Property, which Agent will use for comparison purposes when tenant moves out. At or before move in, Agent will collect from tenant rent for the first month of tenant's Lease term as well as the security deposit provided for in the Lease.

Rent Collection

Agent shall collect all rents and other income from tenants when such amounts become due and take all necessary steps to collect the rent and perform all reasonable acts on behalf of the Owner for the protection of Owner and collection of rent, including collection of late payments and enforcement of late fees and other charges provided for in tenants' Leases. When necessary, Agent will send late payment notices to tenants.

Evictions

When rent collection efforts prove unsuccessful, Agent will coordinate eviction of tenants (through a licensed attorney, if necessary). The process will include the posting of a notice to quit the premises and the filing of the relevant paperwork to initiate and complete a forcible entry and detainer action in a court of competent jurisdiction. Agent will also coordinate with law enforcement, if necessary, to remove an evicted tenant and that tenant's possessions from the Managed Property.

Legal

Agent will understand and abide by local, state and federal laws that apply to renting and maintaining rental properties.

Financial

Agent shall maintain checking accounts for Managed Properties, including an operating account and an account for security deposits. Agent shall deposit all income from Managed Properties into its operating account and shall pay all expenses associated with the Property out of the operating account. Agent shall maintain financial records including invoices, purchase orders, contracts for services, Leases, deposit records, income statements, inspection reports, warranties, balance sheets, and budgets.

Agent will provide the following to Owner:

- Easy to read monthly cash-flow statements that include a detailed breakdown of income and itemized expenses.
- Annual reporting structured for tax purposes as well as required documents.
- Detailed documentation of expenses via invoices and receipts at reasonable intervals upon Owner's request

Maintenance, repairs and inspections

Agent shall perform, or contract for the performance of, necessary repairs and work relating to upkeep

(including landscaping or snow removal if required) and ongoing maintenance and alterations of Managed Properties. Agent shall obtain Owner consent before incurring any single item in excess of Two Hundred Fifty Dollars (\$250), except where required during an emergency. An emergency is defined as any event or occurrence that relates to the health, welfare or safety of the Tenants or the general public or is necessary to preserve the Property from material damage.

If Agent elects to provide maintenance through one or more contractors, Agent shall ensure that such contractors perform work at reasonable prices and that contractors are licensed if necessary.

Agent will perform periodic inspections (inside and out) to identify repair needs, safety hazards, code violations, and lease violations. Agent will send Owner periodic reports on the condition of Managed Properties.

Agent shall notify Owner if Agent becomes aware that the condition of a Managed Property requires major repairs, replacements or structural alterations or fails to meet the standards of any federal, state or local law, ordinance or regulation of which Agent has actual knowledge. After consulting with Owner, Agent will take such action as may be necessary to comply properly with such law(s).

Tenant Move Out

When a tenant moves out of a Managed Property, Agent will inspect the Property and fill out a report on the Property's condition. Agent shall provide a copy of said report to the tenant along with an estimate of damages. After determining actual damages, Agent will return the unused portion of tenant's security deposit to tenant.

3. Lease for Managed Properties: Agent shall handle all lease negotiations with potential tenants of Managed Properties. Agent shall require new tenants to enter into a lease agreement ("Lease") for the Managed Property that tenant wishes to rent. Owner hereby gives Agent the authority to execute Leases for Managed Properties on behalf of Owner. Owner shall be bound by a Lease signed by Agent on Owner's behalf whether or not Owner separately executes the same.

4. Payment to Owner: Agent shall pay Owner net income from the Managed Properties on a monthly basis. Net income means the amounts collected by Agent for Managed Properties (for rent and other fees due to Owner from tenants) less Agent's fees, per Section 5 below, and any and all bills Owner authorizes Agent to pay on Owner's behalf. Notwithstanding Agent's obligation to forward net income, Agent shall be entitled to keep _____ in its operating account to pay for unforeseen or irregular expenses (including but not limited to repairs or bills) for Owner's Managed Properties so that Agent is not prevented from performing its duties hereunder due to a lack of cash on hand. In no event will Agent advance its own funds on Owner's behalf – Owner must always keep sufficient cash in Agent's operating trust account to cover such expenses. The parties may amend the above amount in a writing signed by both parties.

5. Compensation of Agent: Agent shall be entitled to compensation for each Managed Property at the rate set out in the applicable Managed Property Addendum (Exhibit A).

In addition to the Managed Property Fee, Agent shall be entitled to retain one half (1/2) of any of the following fees that Agent is able to collect from a Tenant on Owner's behalf:

- Fees for late payment of rent

In the event of the breach of lease by a tenant, the security deposit *may* be retained. After deductions for any required repairs, cleaning and outstanding balances owed, to include unpaid rents, 50 percent (50%) of remaining deposit will be paid to the owner, and 50 percent paid to _____ (Name of Management Firm).

6. **Duties of the Owner:** Owner shall provide Agent with all documents in possession of the Owner for each Managed Property. Such documents shall include, but not be limited to, current tenant leases for each Managed Property, a listing of security deposits for all of Owner's Managed Properties, a list of current service providers for each Managed Property, and any other documents or information deemed necessary by the Agent to properly manage the Managed Properties.

7. **Agent of the Owner:** All acts Agent performs hereunder will be done by Agent on behalf of Owner and as the agent of Owner, and all obligations or expenses incurred shall be at the expense of the Owner. All payments to be made by Agent related in any way to a Managed Property, whether or not specifically referenced herein, shall be made out of such funds as are available in the operating account identified on Exhibit B. It is agreed that the Agent shall not be obligated to expend its own funds for any payments which Agent is authorized to make under this Agreement.

8. **Owner's Insurance:** Owner agrees to have one or more comprehensive general liability policies that cover each Managed Property. Owner shall ensure that Agent is named as an additional insured on each such policy. Owner shall provide Agent with certificates evidencing insurance coverage upon Agent's reasonable request. Owner shall notify Agent within ten (10) days from receipt by Owner of notice of modification or cancellation of any insurance coverage required by this Agreement.

9. **Agent's Insurance:** Agent shall maintain comprehensive general liability insurance in the minimum amount of One Million Dollars (\$1,000,000.00) per each occurrence and One Million Dollars (\$1,000,000.00) in the aggregate, combined single limit for bodily injury, death, and property damage. Agent shall maintain the required workers compensation insurance. Agent shall provide Owner with certificates evidencing insurance coverage upon Owner's reasonable request. Agent shall notify the Owner within ten (10) days from receipt by Agent of notice of modification or cancellation of any insurance coverage required by this Agreement.

10. **Assignment:** Neither party may assign this Agreement without the prior written consent of the other party. A party may withhold consent in its sole discretion.

11. **Term:** This Agreement shall continue for a period of one (1) year from the date of execution and shall be automatically renewed from year to year unless terminated by either party upon written notice to the other party not less than sixty (60) days before any expiration date.

12. **Termination:** The following shall give rise to termination of this Agreement:

- (a) If a party breaches a term of this Agreement and fails to cure said breach within twenty (20) days of its receipt of written notice from the non-breaching party that specifies the nature of the breach, the non-breaching party shall thereafter have the right to terminate this Agreement immediately.
- (b) If either party files or has filed against it a petition for bankruptcy protection, the other party may immediately terminate this Agreement upon written notice to the party subject to the petition.
- (c) If any Managed Property is foreclosed upon, if Owner gives to a mortgage holder upon termination for any reason, Agent shall be entitled to compensation earned through the effective date of termination. Agent shall deliver to the Owner all documents (including financial, legal, and other records) in its possession at that time together with other information or items associated with the Managed Properties. Agent shall also turn over all undisputed monies belonging to Owner.

13. **Owner's Indemnity:** To the full extent permitted by law, Owner shall defend, hold harmless and indemnify Agent from any and all loss, damage or expense, including litigation costs and attorney's fees arising from any liability or claim brought against the Agent when carrying out its obligations under this Agreement or acting in accordance with express directions of the Owner. However, this indemnify provision shall not apply to any cost, liability, expense, loss, damage or attorney's fees which Agent may incur as a result of willful misconduct, bad faith, or active gross negligence.

14. **Notices:** All notices given or required by this Agreement shall be sent by United States certified or registered mail or by receipted Federal Express delivery or other receipted overnight private carrier addressed to the Owner and Agent at the addresses set forth in this Agreement. Proof of the deposit of any such mail so addressed and with postage prepaid in the United States mail shall constitute a conclusive presumption of its receipt by the addressee as of three (3) days following its date of deposit in the mail or as of the next day if delivered by receipted overnight private carrier.

15. **Modification:** This Contract may not be modified, altered, or amended in any manner except by an Agreement in writing executed by all parties.

16. **Entire Agreement:** This Agreement (including the terms and conditions of this Agreement and all exhibits thereto) constitutes the entire written agreement between the parties. No statements, promises or inducements made by either party or agent of either party, express or implied, shall be valid or binding if not contained in this Agreement.

17. **Who is Bound:** This Contract is binding upon the parties to the Agreement and to their representatives, heirs, successors and assigns.

18. **Counterparts.** This Agreement may be executed in one or more counterpart copies, each of equal validity, which when joined, shall together constitute one and the same instrument. It is expressly agreed that, once this Agreement or any counterpart has been fully executed by a duly authorized individual on behalf of each party, any photocopy or facsimile of this Agreement or any such counterpart shall be deemed the equivalent of an original. In the event that the parties do execute this Agreement by exchange of facsimile signed copies, the parties agree that, upon being signed by all parties, this Agreement shall become effective and binding and that facsimile copies will constitute evidence of the existence of this Agreement.

19. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Wyoming. If any action is brought to enforce or interpret this Agreement the jurisdiction and venue shall exclusively be in the District Courts of _____ County, Wyoming.

20. **Survivability.** Any provision of this Agreement that by its very nature must survive the termination of this Agreement in order to thereafter be enforced and have legal effect shall be deemed to so survive.

21. **Contract Interpretation.** Each party hereto acknowledges that it has had ample opportunity to review and comment on this Agreement. This Agreement shall be read and interpreted according to its plain meaning and an ambiguity shall not be construed against either party. It is expressly agreed by the parties that the judicial rule of construction that a document should be more strictly construed against the draftsman thereof shall not apply to any provision of this Agreement. The headings contained herein are for reference only and are not a part of this Agreement and shall not be used in connection with the interpretation of this Agreement.

22. **Waiver of Breach.** The waiver by a party of any breach of any provision of this Agreement shall not operate or be construed as a waiver by that party of any subsequent breach by the other party.

23. **Utility Billing Agreement** Owner authorizes _____ to enter into a Landlord Billing Service Agreement with utility companies on the owner's behalf to ensure accounts remain in good standing and to prevent service interruptions.

The parties acknowledge that they have read this Agreement and are executing this Agreement on the date set forth below.

OWNER:

By: _____ By: _____

Name: _____ Name: _____

Title: _____ Title: _____

Dated: _____ Dated: _____

AGENT/FIRM: _____

Signature: _____

Dated: _____