

PROPERTY MANAGEMENT AGREEMENT

This agreement is made on _____, by and between _____, herein after referred to as "Owner", and Broker/Brokerage Firm: _____, hereinafter referred to as "Agent".

Owner engages the services of Agent, to the exclusion of all others during the life of this agreement, to rent, lease, operate, and manage that certain real property(s) commonly known and referred to as _____, hereinafter referred to as "Premises", as of the date this agreement is made, and containing _____ () unit(s). Agent shall exercise such management in compliance with all laws, including, without limitation, all fair housing laws and ordinances in effect, or which may come into effect, during the life of this agreement.

Agent shall commence the exercise of his management responsibilities on _____ for a period of _____ () months, at which time this agreement shall automatically renew for _____ periods, unless it is terminated in writing _____ () days prior to expiration date by Owner. Agent shall have the right to terminate this agreement at any time by giving Owner a _____ () day written notification.

1. **Agent agrees as follows:**

- a) Agent shall exercise his best efforts and due diligence in the management of the Premises, and agree to furnish all service necessary to rent, lease, operate, and manage the Premises effectively.
- b) Agent shall exercise best effort to rent or lease the Premises, and all units contained therein, at the best possible rent.
- c) Agent shall render on or before the _____ day of each month, the cash flow from the previous month with an operating report of receipts, expenses, charges, and disbursements for the same prior month period. In the event statement shows expenses to be in excess of receipts, the Owner shall pay such shortage within _____ () days upon receipt of reports.
- d) Owner acknowledges that Agent will maintain a maintenance reserve for the property, which amount will not be remitted to Owner until this agreement is terminated. The amount of such reserve shall be \$_____, and may be adjusted by agreement of both parties.
- e) Agent shall deposit all receipts collected on Owner's behalf in an institution qualified to engage in the banking or trust business in the state of Colorado. Agent shall, at all times, keep Owner's funds separate from Agent's personal and business accounts. Agent will not be held liable in event of bankruptcy or failure of repository.
- f) If Owner chooses, Agent can electronically deposit monthly proceeds directly to Owner's account. Otherwise, all Cash Distributions will be sent via check.
- g) Owner acknowledges that all interest amounts received by Agent on any lease income, operating funds, security deposits, or any other amounts held in the Trust Account & Security Deposit Account shall be retained by Agent to offset additional costs incurred or as directed by the State of Colorado.
- h) Owner shall be responsible for the payment of all mortgage/notes, property taxes, special assessments, Homeowner Association fees, Insurance and utilities related to the Premises unless otherwise agreed to in writing.

- i) Agent shall collect security deposits in connection with the rental of the Premises, and all the units contained therein, in amounts consistent with good professional practice, and maintain such deposits in an institution qualified to engage in the banking or trust business in this state, at all times separate from Agent's personal and business accounts, or in such other place and in such other manner as may be required by the laws of Colorado. Agent shall, at all times, maintain security deposits as required by the laws of Colorado. Security deposits shall not be paid to Owner until such time as the tenant vacates and Owner shall be legally entitled based on the security deposit accounting furnished to tenant per state regulations.

2. Owner confers upon Agent the following authority, and agrees to assume all expenses incurred in connection with Agent's exercise thereof:

- a) Agent is authorized to advertise the Premises or portions thereof for rent, using print ads, periodicals, signs, brochures, internet/web sites, displays, or such other means as Agent may deem proper and advisable. Agent is authorized to place signs on the Premises advertising the Premises for rent. Newspaper ads that share space with other properties managed by Agent shall be prorated. Owner agrees to reimburse Agent for all advertising costs. Advertising expenses may include direct costs for advertising the Owner's Premises as well as a reasonable pro-rata share of general advertising by the Agent, which is designed to collectively benefit the Owner's Premises and other properties managed by Agent.
- b) Agent may, in the exercise of sound professional judgment, collect rent due, or that may become due and give receipts therefore; terminate tenancies and sign and serve in the name of the Owner such notices as are legally required or permitted; commence and prosecute court proceeding in connection with Agent's management of the Premises, or any unit contained therein; sue for and recover, in the name of the Owner, rent and other amounts that are due or may become past due; engage Owner approved attorneys to effect collections, terminations of tenancy, and evictions as set out herein; and settle, compromise, and release, as Agent may deem prudent, such actions and proceedings and past due amounts, and to reinstate tenancies.
- c) Agent may, in the exercise of sound professional judgment, make or cause to be made and supervise repairs and alterations and decorating on the premises or any unit contained therein; purchase supplies, and pay all bills therefore. Agent agrees to secure the prior approval of Owner on all expenditures in excess of \$_____ for any one item, except monthly or recurring operating charges or emergency repairs in excess of the maximum, if such charges and repairs are necessary to protect the property from damage or to maintain services to the tenant as required by the leases or rental agreements or the laws of the state of Colorado.
- d) Agent shall hire, discharge, layoff, and supervise all personnel required for the operation and maintenance of the Premises and the units contained therein. Agent may perform any of these duties through hired third party attorneys, agents, vendors or employees and shall not be responsible for their acts, defaults, or negligence if reasonable care has been taken in their appointment and retention.
- e) Agent shall, as necessary, enter into contracts for electricity, gas, fuel, sewer, water, cleaning, trash or rubbish hauling, and all other services, as Agent shall deem, in sound professional judgment, to be advisable on behalf of the Owner. Owner shall assume the obligations of any contract entered into upon termination of this agreement.

3. **Owner further agrees:**

- a) To hold Agent harmless from liability or loss arising out of damage suits in connection with the management of the Premises and from liability or loss arising out of a claim made by any tenant, vendor, employee or any other person. Owner shall, at all times, maintain, at his sole expense, liability insurance adequate to protect the interests of the parties hereto, which insurance shall be written in such a way to protect the Agent in the same manner and to the same extent that it protects the Owner, and which policies therefore shall name Agent as an additional insured. The Agent also shall not be liable for any error of judgment or for any mistake of fact or law, or for anything which he may do or refrain from doing hereinafter, except in cases of willful misconduct or gross negligence.
- b) In the event the Premises are to be sold by Owner during the period of this Agreement, _____ shall be notified before the Premises are listed in order to discuss the best course of action. If the Premises are listed with another company, Agent shall have the option of terminating this management agreement. If the term of the management agreement has not been completed, management fees to complete the term will be paid from rent proceeds on the final report from Agent to the Owner.
- c) A Referral Commission of ___% of the paid real estate sale brokerage commission shall be paid to Agent should any tenant procured by Agent purchase the property during this agreement or within ___ months after its termination.
- d) Fees:
 - i) Agents Management Fee shall be \$_____ monthly PER UNIT or ___% of the total monthly gross monthly receipts from Premises, whichever is greater.
 - ii) Agents Lease Renewal Fee shall be ___% of the renewed monthly rental rate.
 - iii) Owner agrees to pay a one time start up fee of \$_____.
 - iv) Owner agrees to pay for repairs: All costs, plus any applicable taxes.
 - v) For Fire Restoration, Rehabilitation, Major Repairs, Remodeling, Insurance Claims, or Additions: Owner agrees to pay the full cost of such repairs or remodeling, plus any applicable taxes and fees. Agent shall have the sole right and discretion to refuse to undertake supervision of major repairs, rehabilitation, and remodeling as described herein.
- e) Owner agrees to provide warranty information on all appliances, furnaces, and hot water heaters, if such warranties exist. Agent will contact warranty provider for service, if none provided, Owner will pay charges assessed for such calls, providing Tenant is not responsible due to negligence or due care. If an emergency call comes in on a weekend or holiday on appliances under service warranty, Agent will respond and Owner will pay charges assessed for such calls.
- f) Owner shall furnish evidence of all such appliance contracts, lawn contracts, HOA contracts, or other applicable warranty information to Agent. Owner shall also furnish to Agent a copy of the current hazard insurance policy on the property, with the name, address, and phone number of the insurance agent servicing said policy. ***If changing from an owner occupied to a rental, owner is advised to change the policy from an owner occupied to a tenant occupied policy.***
- g) Owner shall provide Agent with a current mailing address, current home, work and cell numbers and email addresses. Owner also agrees to provide an emergency contact or next of kin. Owner shall be responsible for notifying Agent within _____ () days of any change in *any* of the information set out in this agreement.
- h) Agent shall retain any late fees, NSF check charges, interest earned on security deposits and reserve funds, application fees and penalties, management fees, leasing fees, lease renewal fees, pet fees, lease breaking fees, termination fees and all other charges levied on and collected from tenants.

- i) Agent shall not be responsible or liable for costs of damages to property in excess of security deposits, and Agent shall not be responsible for trees, shrubs, and lawns lost through "winter kill", fungi, drought, vacancy periods, or tenant neglect.
- j) Agent shall not be responsible for nor be required to replace or pay for items of personal property or any fixtures which are taken from the premises, damaged or destroyed by tenants.

4. **REFERRALS**

Realtors work on a commission only basis. A great amount of their livelihood is based on referrals from others. Would you kindly share with us who referred you to us or how you heard about our service?

- 5. Federal and state laws prohibit discrimination in housing based on RACE, CREED, COLOR, RELIGION, NATIONAL ORIGIN, ANCESTRY, SEX, MARITAL STATUS, HANDICAP, and FAMILIAL STATUS. Your property will be offered for rent with the specific intent of complying with these laws.
- 6. Owner and Agent agree to follow all Federal and Local Fair Housing Laws. If Owner should at any time request Agent to disregard Fair Housing Laws and or Landlord/Tenant Laws, this contract will be terminated immediately and the management fees for the balance of this contract or \$_____, whichever is greater, will be due immediately.
- 7. **FACSIMILE AND ELECTRONIC SIGNATURES.** Signatures may be evidenced by facsimile, and may be evidenced by electronic signatures. Documents with original signatures shall be provided upon request of any party.
- 8. **MODIFICATION OF THIS LISTING CONTRACT.** No subsequent modification of any of the terms of this agreement shall be valid, binding upon the parties, or enforceable unless made in writing and signed by the parties.
- 9. **COUNTERPARTS.** If more than one person is named as Owner herein, this agreement may be executed by each Owner, individually, and when so executed, such copies taken together with one executed by Agent shall be deemed to be a full and complete contract between the parties.
- 10. **ENTIRE AGREEMENT.** This agreement constitutes the entire agreement between the parties, and any prior agreements, whether oral or written, have been merged and integrated into this agreement.
- 11. **COPY OF CONTRACT.** Owner acknowledges receipt of a copy of this contract signed by Agent, including all attachments. Brokerage Firm authorizes Broker to execute this agreement on behalf of Brokerage Firm.
- 12. **BINDING EFFECT.**
This agreement shall be binding on the successors and assigns of Agent and the heirs, administrators, executors, successors, and assigns of Owner. Should any Section or any part of any Section of this AGREEMENT be rendered void, invalid, or enforceable by any reason by any court of law exercising competent jurisdiction, such a determination shall not render void, invalid, or unenforceable any other Section or any part of any Section in this AGREEMENT.
AGENT may change the terms under which AGENT is willing to provide service in the future under the AGREEMENT, but only by giving at least ____-days advanced written notice to OWNER.
The drafting, execution and delivery of this AGREEMENT by the parties have been induced by no representations, statements, warranties or agreements other than those expressed in this AGREEMENT. This AGREEMENT embodies the entire understanding of the parties, and there are no further or other agreements or understandings, written or oral, in effect between the parties relating to the subject

matter hereof unless expressly referred to in this AGREEMENT.

Brokerage Firm authorizes Broker to execute this agreement on behalf of Brokerage Firm.

Broker

Owner's Name: _____

Owner's Signature: _____

Address: _____

City, State, Zip: _____

Tel: _____

PROPERTY INFORMATION

Address _____ City _____ Zip _____

Proposed Rent \$ _____ Acceptable Minimum \$ _____ Mortgage Pmt \$ _____

Approximate square footage _____ Year Built _____

Two-story / Ranch / Other _____

_____ of bedrooms # _____ of bathrooms

Washer & Dryer: Provided Hookups Coin-op facility

Included: Refrigerator Elec. Range Gas Range Dishwasher
 Garbage Disposal Microwave Lawnmower

Heat Type: Forced Air Furnace Boiler Hot Water Heater – Gas Hot Water Heater - Electric

Cooling Type: Evaporative (Swamp) Cooler Air Conditioner Central Air Roof, Ground or Window Mount

Garage / Carport / Other Size _____ # of controls, if any _____

RV parking: Yes No location: _____

Shed: Yes No Fenced Yard: Yes No

Sprinklers: Yes No Irrigation: Ditch Water City Water

Pets okay? Yes No Will Consider w/ Approval

Smokers okay? Yes No

Section 8 okay? Yes No

Mail: Delivered to house Community mailbox - Box # _____ # of Keys _____

Owner will pay: Gas Electric Water Sewer Trash

Tenant will pay: Gas Electric Water Sewer Trash

Gas Provider: _____

Electric Provider: _____

Water Provider: _____

Sewer Provider: _____

Trash Provider: _____ Pickup Day: _____

Please remember that unpaid water and sewer bills can become a lien against your property. We recommend that you pay those in order to avoid future problems.

Utilities Paid for by Owner (Included in Rent)

Owner will pay utilities directly Agent will pay utilities for Owner with rental receipt

If AGENT is to pay utilities on behalf of OWNER, OWNER is to set billing as follows:

Will Agent be paying any of the following for you?

Property Insurance HOA Dues Property Taxes

Other, describe: _____.

* In cases of emergency or unavailability of preferred handyman, _____ has the authority to use independent third party vendors.

Please list any special property quirks: _____

EMERGENCY CONTACT: _____

EMERGENCY CONTACT PHONE: _____

EMERGENCY CONTACT ADDRESS: _____

RELATIONSHIP: _____

H.O.A. Contact Information

Subdivision Name: _____

Contact Name: _____

Phone #: _____

Web Address/Email: _____

*** Please Provide A Copy Of The Subdivision Covenants, Conditions & Restrictions***

Preventative Maintenance Measures

Carpet Cleaning between tenants **(1st time at Owners Expense)**: Steam Clean

Sprinkler System activation: None Owner will coordinate Agent to coordinate

Sprinkler System winterization: None Owner will coordinate Agent to coordinate

Lawn Mowing between tenants: None Owner will coordinate Agent to coordinate

Swamp cooler activation: None Owner will coordinate Agent to coordinate

Swamp cooler winterization: None Owner will coordinate Agent to coordinate

Re-key between tenants **(1st time at owner's expense)**

Appliances:

Refrigerator: Brand: Color: Year Purchased: Under Warranty

Range: Brand: Color: Year Purchased: Under Warranty

Dishwasher: Brand: Color: Year Purchased: Under Warranty

Microwave: Brand: Color: Year Purchased: Under Warranty

Should any of the appliances listed above fail, or parts become dead, damaged or defective, I am authorized to:

Replace Repair

OWNER (Printed Name)

(Signature)

OWNER (Printed Name)

(Signature)

MAILING ADDRESS

Home Phone #: ()

Work Phone #: ()

Mobile Phone #: ()

Fax #: ()

Email address:

Email address:

MANAGEMENT FEES

We offer a full range of management services. Our focus is our service and our results speak for themselves!

Management Fee per Unit _____%

Lease Renewal Fee _____%

Start Up Fee (one time) \$_____

Property Reserve \$_____