



LIVING ROOM

PROPERTY MANAGEMENT

PROPERTY MANAGEMENT AGREEMENT

Owner: Name _____ PHONE _____
Email _____ TAX ID/SOCIAL SECURITY # _____
US MAILING ADDRESS _____

Owner: Name _____ PHONE _____
Email _____ TAX ID/SOCIAL SECURITY # _____
US MAILING ADDRESS _____

TRUST/LLC: _____

If the home is to be listed in an LLC or Trust, it must match the deed and the homeowner's insurance policy.

please attach additional pages if more than two owners

Property to be Managed/Address:

Commencement Date:

Expiration Date:

This property management agreement ("Agreement") is made between the Owner(s) ("Owner") and _____ ("Manager") with respect to the real property identified above ("Property"), which is owned by Owner. Manager and Owner are sometimes referred to herein as a party or the parties. Subject to the terms and conditions set out in this Agreement, the parties agree that Manager will exclusively manage the Property for the Owner.

1. Term:

1.1) Initial Term: The initial term of this Agreement shall be for a period of twelve (12) months, commencing on the **Commencement Date** and ending midnight on **the Expiration Date** or for the extent of the term for any signed lease for any tenant secured by Manager, whichever is longer.

1.2) Extension of Term: After the Expiration Date, this Agreement shall continue on a month-to-month basis (“Renewal Term”), with all the terms, conditions, and provisions contained in this Agreement, unless either party gives the other party written notice of termination at least 30 days prior to the expiration of the Initial Term or any Renewal Term. Performance of this Agreement during any Renewal Term will be under the terms and conditions set forth in this Agreement, unless the parties otherwise agree in writing. Upon expiration or other termination of this Agreement, the Owner shall remain bound by the obligations of all contracts for services, supplies and alterations Manager has entered into in connection with the performance of this Agreement. Either Owner or Manager may terminate this Agreement according to section 5 of this Agreement.

2. Authority:

The Owner hereby grants to Manager full and exclusive authority to take the following actions, and Owner agrees to **reimburse or pay in advance** all reasonable expenses related thereto:

- (a) To advertise the availability for rental of the Property and to display “For Rent” signs thereon.
- (b) To affix on Property in visible location a sign not to exceed one square foot identifying Living Room Property Management as Managing Agent.
- (c) To accept completed applications and perform tenant screenings.
- (d) To sign, renew, or cancel rental and/or lease agreements for the Property or any part thereof.
- (e) To collect rents due or to become due and give receipts therefore.
- (f) To collect all deposits and fees, including but not limited to, security deposits, late fees, NSF (returned check) fees, pet fees and tenant application fees; as provided in section 3.5 below, all tenant application fees, late fees, NSF fees, non-compliance fees, processing fees, penalties, rebates, and discounts shall be retained by, and the sole property of, Manager.
- (g) To terminate tenancies and to sign and serve in the name of Owner such notices as are appropriate. *Owner is required to pay in advance any fees, including relocation fees, required by any ordinances (please see section 3.18 for details).*
- (h) 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 to reinstate tenancies, and when necessary engaging an attorney for these purposes. *Before engaging an attorney, Owner is responsible for providing funds in advance for such costs and fees, including but not limited to providing a retainer for the attorney.*
- (i) To make or cause to be made and supervise repairs and alterations, and to do decorating on the Property, to purchase supplies and pay bills therefore.
- (j) To hire, contract for, discharge and supervise all labor and/or employees required for the operation and maintenance of the Property. *Owner acknowledges that Owner is responsible for all maintenance costs incurred. Owner must deposit funds to cover the maintenance costs in advance before Manager will schedule any maintenance or repair that will exceed the amount in Owner’s cash reserve.*

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(k) To make contracts for all utilities including electricity, gas, fuel, water, telephone, and garbage hauling as the Manager shall deem advisable; at the termination of this agreement the Owner agrees to assume the obligations of any contract so entered.

(l) To disburse from Owner's funds payments for: (X) Management Fees, (X) Advertising Expenses, (X) Maintenance, Repairs, Alterations, and Decorations, (X) Utility Services, () Property Taxes, () Mortgage Loan Payments, () Insurance Premium Payments, () Other Payments.

(m) To maintain a cash reserve of Owner's funds, for use in payment of various expenses, in the amount of **\$500.00**; and

(n) To take all other actions Manager deems necessary or appropriate to perform Manager's obligations hereunder.

Owner agrees that Manager may, in the name of and at the expense of Owner, contract with or hire third-party vendors for such services indicated in this section and as reasonably determined by Manager. Owner also acknowledges that Manager shall not be responsible to Owner for any act, omission, negligence, or contract default of such third parties.

By initialing below, Owner acknowledges and agrees to the terms in this Section 2.

X_____

3. Owner's Representations and Covenants:

3.1) The Owner represents that Owner holds title or is purchasing the Property described herein above and has the sole right to engage the services of the Manager to operate the Property. Owner hereby represents and warrants that all references to "Owner" shall include each and every joint and several owners, and the Agreement shall be binding on each of them jointly and severally.

3.2) Insurance: The Owner shall obtain and maintain full control of renewal of property and liability insurance coverage, including fire and a minimum of \$300,000 liability coverage; the Manager has no duty or responsibility with respect to any insurance coverage. Owner shall cause Manager to be named on Owner's liability policy as an additional insured party. Owner shall deliver a certificate and copy of each policy issued by the carrier promptly to Manager. Owner agrees to indemnify Manager for any damages suffered as a result of any lapse in or failure by Owner to maintain insurance coverage.

3.3) Data & Records: Owner agrees to make available to Manager all data, records, and documents pertaining to the Property which the Manager may require to properly perform its duties hereunder. This includes but is not limited to existing leases, rental agreements, amendments and correspondence related to, the status of rental payments, mortgage loan information and payments instructions, copies of service contracts in effect, and all applicable insurance policies. If the Property has been previously managed by another agent, Owner is required to provide all information related to the Property before the Commencement Date and warrants that such information is accurate.

3.4) Move-In Ready Required: At the commencement of the term hereof, the Owner shall have the Property clean and move-in ready with all smoke alarms, lights, and appliances in working order. Owner warrants that the Property shall be in good operating condition and free of material defects. During the term hereof, the foregoing shall be Manager's responsibility, before the Property is to be shown to prospective tenants. If the Property is not move-in ready at the commencement of the term hereof, the Manager will facilitate any cleanup/maintenance necessary to make the Property move-in ready at the expense of the Owner.

3.5) Compensation: The Owner shall pay the Manager a monthly commission fee of _____% of the gross monthly rent(s) scheduled for the Property which is earned on the first day of each month and will be withdrawn from the clients' trust account no later than the last day of each month. Owner shall pay Manager this fee for any period of time tenant occupies the Property regardless of credits given by the Owner.

In addition, Owner shall pay all extraordinary advertising expenses (upon prior approval of non-standard marketing program). Manager will retain returned check/NSF fees, late fees, application fees, penalties, rebates, discounts, and processing fees. Owner shall reasonably cooperate with Manager to resolve any difficulties caused by any NSF transaction.

Owner shall pay an additional **placement fee equal to 50%** of one month's rent for the signing of an initial lease and for subsequent tenant placement for which the Manager is the procuring cause, which fee shall be based on the rental amount for the highest month within the tenant's initial lease. Such fee shall be paid out of the first month's rent received by the Tenant and shall in no case be less than \$500 regardless of the rental amount.

Manager shall retain **\$500** out of the first month's rent to be held in reserve for use by the Manager for payment of bills specific to the Property to comply with section 2(m) above. Manager shall be entitled to replenish the funds in such account from rent received, in order to maintain a balance of **\$500**.

Any remaining amount at the end of the contract term shall be refunded to the Owner in full. Owner assumes full responsibility for the payment of any expenses and obligations incurred in connection with the exercise of the Manager's duties set forth herein. Please see Manager's current year's Menu of Services for other line items. In no event shall the Manager be required to use its own funds to pay any of the Owner's obligations.

3.6) Reimbursements requests: The Owner, upon request of the Manager, shall promptly reimburse the Manager for any disbursements in excess of the rents collected. The Manager shall provide to the Owner proof of excess expenditures when requested before reimbursement is made.

3.7) Lead-Based Laws Acknowledgment: Owner acknowledges that Manager has advised Owner of the laws regarding disclosure of Lead-Based Paint Hazards in residential dwellings built prior to 1978 and agrees to furnish Manager with a completed signed and dated "Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards" form if the Property was built prior to 1978. If additional information becomes known to Owner as to the presence of Lead-Based Paint and/or Lead-Based Paint Hazards, Owner agrees to inform Manager and supply an updated disclosure form to Manager.

3.8) Other Management Fees: Owner will be responsible for fees under the current year's Menu of Services, including but not limited to lease renewal fees, onboarding/lockbox fees, and inspection fees.

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In the event Owner requests Manager to oversee, supervise, or in any way manage any maintenance or construction project at the Property (a) for which the total estimated or actual expense for labor and materials exceeds \$2,500 or (b) requires multiple bids, vendors, or home warranty providers, Owner shall pay Manager a project management fee upon commencement of Manager's services regarding such project, and such fee shall be equal to 10% of the total project cost. Manager retains the discretion to refuse to oversee, supervise, or in any way manage such project.

3.9) At no time shall Owner contact the tenant directly without prior written approval by Manager.

3.10) Owner authorizes Manager to pay a rent credit or other compensation to a tenant as allowed under ORS 696.290(2). Any such offer would be subject to Owner approval.

3.11) OWNER RECOGNIZES AND AGREES BOTH OWNER AND MANAGER MUST COMPLY WITH ALL FEDERAL, STATE AND LOCAL FAIR HOUSING LAWS WHICH PROHIBIT DISCRIMINATION BASED ON, AMONG OTHER THINGS: RACE, RELIGION, COLOR, NATIONAL ORIGIN, FAMILIAL STATUS, DISABILITY, SEX, MARITAL STATUS, SOURCE OF INCOME, SEXUAL PREFERENCE AND GENDER IDENTITY. OWNER FURTHER RECOGNIZES THAT PERSONS WITH DISABILITIES MAY REQUEST A REASONABLE ACCOMMODATION WHICH MAY REQUIRE OWNER TO WAIVE CERTAIN POLICIES OR PROCEDURES, OR REASONABLE MODIFICATION WHICH MAY REQUIRE THE OWNER TO ALLOW THE TENANT TO MAKE MODIFICATIONS TO THE PROPERTY.

3.12) Indemnification/Hold Harmless: *Owner acknowledges that there are risks when renting out property.* Owner shall defend, indemnify, and hold Manager, its employees, officers and directors ("Indemnities") harmless from all damages, loss, costs or attorneys' fees and against all allegations, claims, actions, suits, demands, liabilities, obligations, losses, settlements, or judgments which arise out of, relate to, or result from any act or omission of Manager's performance of this Agreement, except to the extent caused by the gross negligence or willful misconduct of Manager. The Owner acknowledges it is impossible for the Manager to know the use that a tenant may put the Property to, and the Owner assumes the risk of the rental of the Property to a tenant who fails to pay rent or otherwise breaches the rental agreement, or misuses the Property, or impairs its use or value by an improper use such as, but not limited to, housing of animals, drug manufacturing, drug dealings, or other improper or illegal activities.

This indemnification and hold harmless provision includes but is not limited to: a) Any damage to or destruction of any Property; b) Any unpaid rents, deposits, utilities, etc. due by tenants; c) Any injury to or death of any person; d) Any acts of Owner; e) Any error of judgment by Indemnities or any mistakes of law or fact by Indemnities; f) Any alleged violation of any law pertaining to fair employment, fair credit reporting, fair debt collection, environmental protection, rent control, taxes, fair housing, or any other such laws; (g) Any loss of client funds where such loss is incurred as a result of bank conduct or omission and exceeds applicable federal deposit insurance limitations. Nothing contained in this section shall relieve Manager from responsibility to Owner for Manager's gross negligence or willful misconduct.

The obligations under this section 3.12 will survive the expiration or termination of this Agreement.

3.13) Notification of Changes in Ownership: Owner agrees to notify Manager in writing within 10 days after any change in ownership (full or partial), change of name of the ownership entity, or any other change related to who is the owner of the Property, to the extent those changes do not result from a sale in the Property or trigger section 5.3 of this Agreement. The notice to

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Manager will include copies of the documents which effectuated the change. An addendum must be signed by both parties reflecting the change in ownership.

3.14) Notification of Default in Debt Service: Owner agrees to notify Manager in the event Owner becomes delinquent in paying any debt service on the Property and will promptly provide Manager a copy of any default notices Owner receives from Owner's lender(s).

3.15) Other Representations: Owner represents and warrants that: a) Owner is the sole owner of the Property and has full power and authority to enter into this Agreement; b) Owner's name on this Agreement is the same as shown on the real property records as the owner of the Property; c) there are no written or oral agreements affecting the Property other than tenant leases, copies of which have been furnished to Manager; d) the building and its construction and operation do not violate any applicable statutes, laws, ordinances, rules, regulations, orders, or the like (including, but not limited to, those pertaining to hazardous or toxic substances); e) the building does not contain any mold, asbestos, urea, formaldehyde, radon, or other toxic or hazardous substance and that no unsafe condition exists; and f) Owner is not in default with any lender that holds a lien on the Property. Owner will provided Manager a true and complete copy of the instrument under which Owner took title to the Property upon request.

3.16) Rent Ready Units: Owner acknowledges that it is Manager's stated business policy to offer for rent only units in Rent Ready Condition. Rent Ready Condition means that the unit is habitable under applicable law, clean according to Manager's standards, that all amenities are in working order and that the unit has been re-keyed, at Owner's expense, since the prior tenant.

3.17) Earthquake, Terrorism, & Acts of God : Owner is and shall remain solely responsible for any and all liability, loss, damage, claim, costs and expenses associated with or arising out of earthquake hazards, earthquakes, terrorist acts, acts of God, fire, flood and other casualties on or about the Property.

3.18) Portland's Mandatory Renter Relocation Assistance Ordinance (the "Portland Ordinance"): For Owners with properties within the City of Portland, Portland City Council mandates that renters in Portland must be paid relocation assistance by their landlord if they are served a no-cause eviction, served a rent increase of 10% (percent) or higher over a 12-month period, receive a substantial change in their lease terms, or do not receive the option to renew their lease. Owner agrees that before Manager issues a no-cause notice to vacate, notice of a rent increase of 10% or more, or any other event covered by the Portland Ordinance, that Owner will provide in advance the funds for the mandatory relocation assistance or provide a copy of an exemption Acknowledgement Letter from the Portland Housing Bureau.

By initialing below, Owner acknowledges and agrees to the terms in this section 3. Owner understands the indemnification and hold harmless clause (section 3.12), including but not limited to the fact that Manager is not responsible for any damages to the Property caused by tenants.

X_____

4. Manager's Representations and Covenants:

4.1) Manager represents that it is a licensed property manager in the State of Oregon.

4.2) Manager agrees to use due diligence in the management of the Property for the terms, conditions and provisions contained herein.

4.3) All records relating to the Property that are required to be maintained by Manager under Oregon's Real Estate Law will be maintained by Manager for a period of six years after the transaction is terminated. Unless directed otherwise by Owner at the time of termination, Manager will dispose of such records. Owner may request copies of any or all records relating to the Property at any time. The costs of copies, and if the request is made after termination of this Agreement, copying charges and the costs of Manager's staff time, will be paid by Owner.

4.4) Manager shall provide to the Owner(s) both monthly and annual statements of receipts, expenses, management fees and charges. Manager shall remit to the Owner(s) proceeds less disbursements on, monthly basis or _____. If proceeds are to be remitted to more than one owner, such remittance shall be made as follows:
_____ % to _____ and _____ % to _____.

4.5) Clients' Trust Accounts and Segregation of Security Deposits: Manager shall deposit all receipts collected for the Owner(s) in one or more federally insured clients' trust account(s), separate from the Manager's accounts. Manager may set off against any Owner funds in such trust account any amounts which are due to Manager under this Agreement. If the Owner requires personal bank account(s) for their client trust funds, separate from pre existing accounts, Owner agrees to reimburse Manager for all fees associated with maintaining and operating the clients' trust account including but not limited to the monthly maintenance fees and check order fees. All security deposits will be deposited into a separate federally insured clients' trust account labeled as "Clients' Trust Account – Security Deposits." Manager will have no setoff rights as to the security deposits account. Manager is authorized to transfer funds between two or more owner's ledger accounts maintained for Owner, if at the time of the transfer, Manager enters the transfer information in each of the Owner's affected ledger accounts including, but not limited to, the amount of the transfer, date of the transfer and the source or destination of the transferred funds, as appropriate. At Manager's option, Owner authorizes Manager to use a bank lockbox process in which the bank collects payments from tenants, creates an electronic record of the transaction, and deposits the payments into the appropriate clients' trust account by following the written instructions of Manager.

4.6) Manager agrees to secure the prior approval of the Owner(s) on all expenditures in excess of \$500.00 for any one item, except monthly or recurring charges and expenses, and/or emergency repairs, if in the opinion of the Manager such repairs are necessary to protect the Property from damage or to maintain all required services to the tenant(s).

4.7) For maintenance services performed by maintenance employees, Manager shall bill Owner at the rate(s) and/or price(s) reflected in the current year's Menu of Services.

4.8) Manager will disclose to the Owner, in writing, Manager's planned use of any employees or a business in which Manager has a pecuniary interest to provide services for the Owner's property, if such employees or business are not disclosed in this Agreement. Manager reserves the right to utilize any qualified maintenance staff, contractors, or other service providers as may be selected by Manager, regardless of their affiliation with Manager, and Owner acknowledges Manager may receive a direct or indirect benefit from such maintenance staff, contractors, or other service providers. All maintenance shall be performed by vendors approved by Manager in Manager's sole discretion.

5. Termination:

Any termination of this Agreement shall occur pursuant to one of the following:

5.1) Failure to Comply with Laws: If Owner or Manager shall fail or refuse to comply with or abide by any rule, order, determination, ordinance or law of any federal, state or municipal authority, the other party may terminate this Agreement upon giving twenty-four (24) hours' written notice.

5.2) Failure to Comply with Agreement: If Owner fails to make payment to Manager of any amounts due Manager within five (5) days of written notice that the amounts are overdue, then Manager may terminate this Agreement. If Owner fails to keep in force the insurance required under this Agreement, then Manager may terminate this Agreement immediately by verbal or written notice.

5.3) Termination Upon Property Sale: This Agreement shall terminate upon the sale of the Property to an entity that is not affiliated with Owner; provided that on or before the closing date of such sale Owner has paid Manager (i) all pre-closing costs advanced by Manager, and (ii) all fees, compensation and commissions earned, pursuant to the terms of this Agreement. Owner shall make best efforts to give Manager notice of (i) any listing of the Property for sale within five (5) business days after the listing agreement is signed, (ii) execution of any agreement to sell the Property within five (5) business days after the sale agreement is signed and (iii) termination of this Agreement at least thirty (30) days prior to the closing date of any sale.

5.4) Termination by Owner for Cause: Owner may terminate this Agreement for cause which is defined as Manager's material and substantial breach of any provision of this Agreement which is not cured within thirty (30) days after Owner gives Manager written notice thereof; if such breach cannot be cured within thirty (30) days, such breach shall be deemed cured if Manager commences curative action within such thirty (30) day period and thereafter reasonably pursues the action to completion.

5.5) Termination by Manager: Manager may terminate this Agreement at any time upon 30 days' written notice to Owner.

5.6) Early Termination by Owner (not for Cause): If Owner terminates this Agreement for any reason other than for cause (as described in section 5.4) during the Initial Term, Owner must give at least 60 days' written notice to Manager, unless otherwise agreed by Manager in writing. If Owner terminates this Agreement during any Renewal Term, at least 30 days' written notice must be given to Manager, unless otherwise agreed by Manager in writing. 15 days before the end of the termination notice, Owner must pay all outstanding fees, invoices, commissions, and other compensation to Manager. Owner shall be required to pay an early termination fee in the amount of half of one month's rent and that fee will not preclude Manager from any other right or remedy it may have in law or equity.

5.7) Bankruptcy and Insolvency: In the event a petition in bankruptcy is filed by or against either Owner or Manager, or in the event that either shall make an assignment for the benefit of creditors or take advantage of any insolvency act, either party hereto may immediately terminate this Agreement by written notice. Remedies set forth herein above shall be in addition to and shall not exclude any other remedy available under applicable law to the parties hereto.

5.8) Actions on Termination: If this Agreement expires or is terminated for any reason Manager shall comply with all requirements set forth in the Oregon Real Estate Agency Rules. Not later than 60 days after the effective date of the termination of this Agreement, Manager will: (a)

Identifying Code: _____

Disburse all obligated funds to the party or parties entitled to the funds; and (b) Provide the Owner with the following: (A) A final accounting of the Owner's ledger account; (B) All funds belonging to the Owner as shown on the Owner's ledger, unless the Owner directs the Manager, in writing, to transfer the funds to another property manager, escrow agent or person; (C) An accounting of all security deposits and fees held for tenants; (D) All tenant security deposits and fees held for tenants, unless the Owner directs the Manager, in writing, to transfer the security deposits and fees to another property manager, escrow agent or person; and (E) Copies of all current tenant rental or lease agreements, unless the Owner waives such requirement in writing or directs the Manager, in writing, to provide such documents to another property manager, escrow agent or person; and (F) A notice the Manager may destroy the required records of the property management activity performed after six years. Upon the written request of Owner, Manager will transmit to Owner along with the final accounting, all records, contracts, leases, receipts for deposits, and other papers or documents which pertain to the Property, which Manager is not obligated to retain under applicable law. Owner will pay all copying charges for any records transmitted to Owner upon termination of this Agreement.

No later than the next calendar day after the effective date of the termination of this Agreement, Manager must notify each tenant for whom the Manager holds a security deposit that: (a) The security deposit and all fees held for the tenant will be transferred to the Owner or, if applicable, to another property manager, escrow agent or person; and (b) The name and address of the Owner, other property manager, escrow agent or person to whom these deposits will be transferred.

If a tenant's termination of tenancy occurs simultaneously with or prior to the effective date of termination of this Agreement, Manager must complete any final accounting, inspection or other procedures within the time required by: (a) The tenant rental or lease agreement; (b) The Residential Landlord Tenant Act; and (c) this Agreement, unless the Owner otherwise directs in writing.

Upon termination of this Agreement, Manager will transfer and assign by written agreement any interest of Manager in a rental or lease agreement to the Owner or to a new property manager.

By initialing below, Owner acknowledges and agrees to the terms in this section 5.

X_____

6. Notices:

Any notices required or permitted under the terms of this Agreement shall be deemed given at the earlier of (i) when actually delivered by professional courier; (ii) three (3) days after such notice is deposited in the United States mail first class or certified mail with postage prepaid, addressed to the Owner at the address noted in this Agreement or to the Manager at 1636 NW Lovejoy Street, Portland, Oregon 97209; or (iii) when sent by email, provided the recipient acknowledges receipt.

7. Heirs and Assigns:

Unless in connection with a sale of all or substantially all of its assets, reorganization, conversion, or a merger, neither Party may assign this Agreement or a Service Order without the prior written consent of the other. All rights, remedies and liabilities herein given to or imposed upon either of the parties hereto shall inure to the benefit of and bind the heirs, executors, administrators,

successors and, so far as this Agreement is assignable by the terms hereof, to the assigns of such parties.

8. Total Agreement:

This Agreement contains the entire agreement between the parties pertaining to the Property and cannot be changed or terminated except by a written addendum, signed by both parties.

9. Applicable Law & Venue:

This Agreement shall be governed by and construed in accordance with the laws of the state of Oregon, and in the event of any litigation arising out of this Agreement, the parties hereto stipulate and agree that the venue for any such action shall be the county in which the Property is located.

10. Attorney Fees & Court Cases:

In case suit or action, or any appeal therefrom, instituted to enforce compliance with any of the terms of this Agreement, the losing party agrees to pay the prevailing party a reasonable attorney's fee, together with all costs and expenses incurred in connection with such actions, including the reasonable cost of searching records to determine the condition of title at the time suit is commenced.

11. Cooperation:

The parties agree to fully cooperate in carrying out this Agreement, including the execution of all documents reasonable necessary to effectuate the intention of the parties.

12. Time of Essence:

Time is of the essence of this Agreement with respect to each and every provision of this Agreement in which time is a factor.

13. Waiver:

No delay or failure by any party to exercise any right, power or remedy with regard to any breach or default by any party to this Agreement, or to insist upon strict performance of any of the provisions hereof, shall impair any right, power or remedy of such party, and shall not be construed to be a waiver of any breach or default of the same or any other provisions of this Agreement. No action or conduct of any of the parties hereto shall be deemed or construed as a waiver or modification of the non-waiver provisions contained in this section.

14. Relationship to the Parties:

Neither party shall exercise any control over the activities and operations of the other party, and each party hereto is recognized as an independent contractor. Under no circumstances shall the parties be construed as partners, joint venturers, franchisor and franchisee, nor employer and employee.

15. Survival of Representations and Warranties:

All representations and warranties made in this Agreement and liability of the parties for the breach, inaccuracy, or other failure of such representations and warranties shall survive the expiration or termination of this Agreement, and shall remain in full force and effect thereafter.

16. Headings/Construction:

The captions used in this Agreement are intended for convenience only and shall not in any way affect the meaning or construction of any provision of this Agreement. The rule of construction that a written agreement is construed against the party preparing or drafting such agreement shall specifically not be applicable to the interpretation of this Agreement.

17. Third Party Beneficiaries:

The provisions of this Agreement are intended solely for the benefit of the parties hereto, and shall create no rights or obligations enforceable by any third party, or any other person or entity not expressly made a party hereto, including but not limited to creditors, partners, agents, employees, owners, officers, directors, or other parties affiliated with any of the parties hereto.

18. E-mail as Written Consent:

A party's consent given by e-mail shall constitute a written consent wherever a written consent is required hereunder.

19. Reliance:

In the event a party hereto receives a notice or instruction which such party reasonably believes in good faith to be from another party hereto, the receiving party may rely thereon, and shall have no duty to inquire into the authority of the person giving such notice or instruction. In the event a party receives conflicting notices or instructions, such party may refuse to act in response thereto, until such conflict is resolved.

20: Authority:

The parties signing below personally represent and warrant that they have the requisite authority to bind the entities on whose behalf they are signing.

21. LIMITATION OF LIABILITY:

Manager agrees that it shall use its best efforts to perform the services requested of it by Owner in accordance with this Agreement, but makes no warranties of any kind, express or implied, with respect to the services to be provided hereunder. IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR INCIDENTAL, CONSEQUENTIAL, EXEMPLARY OR PUNITIVE DAMAGES OF ANY KIND WHATSOEVER. EXCEPT FOR COLLECTABLE INSURANCE, MANAGER'S LIABILITY WITH RESPECT TO ITS PERFORMANCE OR NONPERFORMANCE OF ITS OBLIGATIONS UNDER THIS AGREEMENT SHALL IN NO EVENT EXCEED THE SUMS PAID TO MANAGER PURSUANT TO THIS AGREEMENT.

22. Severability: If any term of this Agreement is to any extent illegal, otherwise invalid, or incapable of being enforced, such term shall be excluded to the extent of such invalidity or unenforceability; all other terms hereof shall remain in full force and effect.

23. Special Provisions:

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Identifying Code: _____

In Witness Whereof the respective parties (if community property both husband and wife must sign) have executed this Agreement on the date first set forth above.

Owner(s):

Signed: _____ Date: _____
Print Name/Title:

Signed: _____ Date: _____
Print Name/Title:

(If legal representative, trustee, or attorney in-fact please state capacity and name of real party in interest)

Manager: _____

Signed: _____ Date: _____