



PROPERTY MANAGEMENT AGREEMENT GOLD PLAN

1. PROPERTY TO BE MANAGED

Property Address: _____

City, State, Zip: _____

Target Rent: \$ _____ per month.

Home is currently ___ Vacant ___ Owner Occupied
___ Tenant Occupied

Is the Property Owner a US Citizen? ___ Yes ___ No

Does the Property Owner have a US Tax ID/Social Security Number? ___ Yes ___ No

2. OWNER

Name listed on the deed:

Single point of contact (list only one person):

Mailing address: _____

City, State, Zip: _____

Cell Phone: _____ Alt Phone: _____

Email: _____

Owner Date of Birth: _____

3. AGENT: Mark Brower Properties LLC

4. TERM

- a. **Commencement Date:** Upon completion of this Agreement by all parties.
- b. **Initial Term:** 10 years from the Date of Commencement of this Agreement.
- c. **Cancellation Notice:** Either party may cancel this Agreement on the anniversary of the Commencement with a 30-day written notice without fees.
- d. **Change of Terms:** Any effective changes to this Agreement after the initial term must be in writing and

be presented to the other party at a minimum of 30 days in advance.

- e. **Owner Handbook:** Agent has created an Addendum to this Agreement called the Owner Handbook that details Agent’s policies, procedures, and limitations of services for Owner review and acknowledgment that this Agreement coincides with upon commencement. Any effective changes to the Owner Handbook will be presented in writing.
- f. **Termination:** If Owner violates any terms of service contained in this Agreement or Agent determines that effective management services can no longer be provided, Agent may terminate this Agreement immediately without notice.

5. LEASING AUTHORITY OF AGENT

Owner authorizes Agent as Owner’s sole and exclusive Agent to act for and on behalf of Owner either in the name of Agent or Owner in connection with the following:

- a. Advertise the Property for lease using methods Agent determines to be most effective.
- b. Place a “For Lease” sign on the property in accordance with local rules and regulations at the discretion of the Agent.
- c. Place a lockbox on the home to allow Realtors® and pre-screened prospective residents access for showings as deemed appropriate by Agent.
- d. Authorize other Agents, their associates, inspectors, appraisers, and contractors to access the property at reasonable times and to disclose security and lockbox codes as required or needed to facilitate access to the home at the discretion of the Agent.
- e. Duplicate keys and security devices as needed, at Owner’s expense, to access the property for showings and repairs in a timely manner.
- f. Negotiate and execute leases on Owner’s behalf at market rates of not less than 6 months and no more than 24 months.
- g. Negotiate and execute amendments, extensions, or renewals to any lease for the property on Owner’s behalf and terminate leases for the property, negotiate lease terminations, and serve notices of termination.

6. FINANCIAL AUTHORITY OF AGENT

- a. Collect and deposit owner rents, security deposits, and other funds related to the property in a trust account and pay any compensation and reimbursements due Agent under this Agreement and any other persons this Agreement may authorize to compensate.
- b. Collect all administrative charges without accounting to Owner any additional resident fees, administrative fees, processing fees, pet fees, application fees, eviction fees, or any other resident-related charges associated with management.
- c. Subject to paragraph 29, enforce actions to, at Owner's expense, evict residents in the property, recover possession of the property, recover lost rent with damages, and defend against legal action with attorney's fees.
- d. Negotiate and make reasonable concessions to residents on a case-by-case basis.
- e. Obtain information from any holder of a note secured by a lien on the property and any insurance company insuring all or part of the property.
- f. Agent is allowed but not required to bring current any delinquent or outstanding association dues and fees to avoid fines or other legal action on behalf of Owner.

7. SECURITY DEPOSIT AND LAST MONTH'S RENT

- a. Management shall have the right to retain, for a reasonable time, the last calendar month of rent under any lease to be applied by Management to the payment of Owner's obligations under this Agreement or any lease or to bring the property back into rentable condition. Management shall have sole reasonable discretion to apply security deposit funds under any lease and to refund security deposit funds to any Renter and Owner shall be bound by such decision.
- b. During this Agreement, Agent will maintain security deposits received from residents in a trust account and will account to residents for the security deposits in accordance with the lease agreement and state law.
- c. If this Agreement is terminated or canceled for any reason other than trustee's sale, judicial foreclosure, or other forfeiture by Owner, any refundable resident deposits will be forwarded to the Owner after notice has been given to the resident as required by law. If this

Agreement is terminated due to a trustee's sale, judicial foreclosure or other forfeiture by Owner, any refundable resident deposits due shall be released to the resident.

8. AGENT'S MAINTENANCE AUTHORITY

- a. Agent shall assist Owner in the employment and supervision of all labor and contractors required for the repair and maintenance of the Property at Owner's expense. All labor and contractors shall be deemed subcontractors of the Owner and not the Agent unless otherwise agreed in writing, and Agent shall not be liable or responsible for their acts, defaults, or negligence.
- b. Agent may contract, at owner's expense, in either Agent's or Owner's name, for utilities and maintenance to the property during times that the property is vacant, including but not limited to electricity, gas, water, alarm monitoring, cleaning, pool and spa maintenance, yard maintenance, and other regularly recurring expenses that Agent determines are reasonable to maintain and care for the property.
- c. Agent does not and shall not assume any liability for conditions or destruction of lawn, shrubs, trees, or other foliage or landscaping.

9. AGENT AUTHORITY- AGREEMENTS

- a. This Agreement is subject to policy and procedure changes updated periodically in the Owner Handbook.
- b. Agent reserves the right to amend or supplement the terms and conditions contained in this Agreement or the Owner Handbook by providing written notice to Owner via email.
- c. Agent may perform any of its duties through its attorneys, agents, or employees and shall not be responsible for the acts, defaults, or negligence of such attorneys, agents or employees if reasonable care has been exercised in their appointment and retention. Notwithstanding the foregoing, Agent shall be responsible for negligence, gross negligence, or fraud of any person under their direct employ.
- d. The Parties specifically waive the right to a jury trial or any trial whatsoever in relation to any claims whatsoever which pertain to the matters under this Agreement.

10. RECORD KEEPING

- a. Agent will file reports with the Internal Revenue Service related to funds received on behalf of Owner under this Agreement. Owner authorizes the delivery of the 1099 via electronic methods.
- b. Agent will remit each month the Owner funds collected by Agent for Owner under this Agreement, less authorized deductions, and a statement of receipts, disbursements, and charges. Owner may instruct Agent to remit the items to another person or address.

11. REGISTRATION, LICENSURE, AND TAX

Owner, at Owner's expense, shall register the property with the County Assessor as a rental property and, if residing out-of-state, designate a statutory agent who lives in Arizona to accept legal service on behalf of Owner as required by law. Owner agrees to purchase any business license or other license required by the applicable government authority and pay any fees or taxes when due. Agent will assist Owner in securing a TPT license and with the collection and payment of TPT taxes as required by law.

12. RESERVES

- a. Upon execution of this Agreement, or at the time of execution of a new lease, Owner will allow Agent to hold in a trust account a reserve. These reserve funds will be used to pay any expenses related to the leasing and management of the property. If the balance of the reserve becomes less than the amount stated, Agent may deduct the applicable amount from the monthly income to bring the balance to the amount requested. The standard reserve is \$300.00 per home.
- b. Agent, in Agent's sole discretion, may, but shall not be obligated to, advance Agent funds on behalf of Owner to keep Owner's account open or to avoid charges for an insufficient minimum balance. Owner shall reimburse Agent for all advanced funds, interest, or fees upon demand and remit any funds to Agent necessary to maintain the reserve account at the agreed-upon amount.
- c. Overdrawn owner accounts reaching past 30 days will incur a surcharge for payment by Owner. The charge will equal 10% of the total overdrawn amount with a minimum charge of \$39 per month.

13. E-PAYMENT POLICIES

Owner draws will be initiated via ACH between the 10th and 15th of each month. The bank processing speed for ACH (which is the same as with paper checks) is normally 3-6 business days.

14. OWNER REPRESENTATIONS

Owner represents and attests to all the following:

- a. Owner warrants that Owner is the sole owner of the premises or has unconditional authority to execute this Agreement on behalf of any Co-owner and that the premises are not subject to current legal action or foreclosure. Any individual Owner shall have the authority to take action hereafter and enter into further agreements with Agent on behalf of all co-owners.
- b. Owner is not bound by another agreement with another broker or Agent for the leasing, management, or sale of this property that will affect the timing of this Agreement. Should Owner enter into an agreement with another Agent, this Agreement can be terminated without notice subject to all cancellation fees.
- c. No person or entity has any current rights to purchase, lease, or acquire the property by an option, right of first refusal, or any other agreement.
- d. Owner is not delinquent in the payment of any property taxes, association fees, property hazard insurance, or mortgage payments.
- e. Owner is in compliance with all local rental requirements to include licensing, fees, association permissions, and local taxes.
- f. Any pool or spa that has the required enclosures, fences, gates, and latches in place to comply with all laws and ordinances; and
- g. Owner is not aware of any condition existing on the property that would materially affect the health or safety of a resident.

15. OWNER AGREES TO:

- a. Cooperate with Agent to facilitate showing, marketing, and leasing of the property.
- b. Not rent or lease the property to anyone without Agent's written approval.
- c. Not negotiate with any prospective resident who might contact Owner directly, but refer all prospective residents to Agent.

- d. Not deal with or negotiate with any resident in the property concerning any matter related to the management or leasing of the property.
- e. Not enter into a listing agreement For Sale or a property management agreement with another Agent for the rental, leasing, or management of the property to become effective during this Agreement.
- f. Provide Agent with any existing copies of lease agreements related to the property, keys, remotes, or any warranties.
- g. Tender to Agent any security deposits paid by existing residents.
- h. Notify Agent if Owner becomes delinquent in the payment of any mortgage secured by the property, property taxes, property insurance, or association fees.
- i. Promptly pay for regular pool maintenance if the property includes a pool

16. OWNER'S INSURANCE AND SURCHARGE

- a. At all times during this Agreement while this home is under management, Owner must maintain in effect a public liability insurance policy (homeowners insurance) that covers losses to the property. This will include an amount equal to the reasonable replacement cost of the property's improvements and contain endorsements showing the insuring party is aware that the home will be leased to prospective residents. It is required that the Owner name Mark Brower Properties as "additionally insured" on their owner's insurance policy.
- b. This Agreement will also serve as Owner's authorization to obtain and discuss any claim regarding this home with the Owner's insurance company.
- c. Owner pays a \$20.00 (twenty) per month administration surcharge to cover the cost of administrative fees associated with homeowners insurance compliance and tracking.
- d. Owner may OPT OUT of this \$20.00 (twenty) per month surcharge by providing Agent a letter or notice delivered via mail, email, or fax that indicates "Mark Brower Properties" - as named "additionally insured" on their homeowner insurance policy no later than 30 days from the completion date of this Agreement.

17. FEDERAL FAIR HOUSING NOTICE

In accordance with the federal fair housing laws, Agent's services must be provided, and the property must be shown and made available to all persons without regard to race, color, religion, national origin, sex, disability, familial status, sexual orientation, or gender identity.

18. ARIZONA LAW

This Agreement shall be governed by Arizona law and jurisdiction is exclusively conferred on the State of Arizona.

19. MANAGEMENT FEES

Management fees: Agent is paid \$99 plus 5% of rent collected per month. For partial months, the management fee is prorated for the number of days the property is leased.

For the first 12 months of this Agreement, Agent agrees to issue a monthly credit against management fees that will have the effect of reducing the monthly management fee to \$159 per month (prorated for a partial month if needed).

Marketing Fee: \$399 for marketing the property each time it is vacant.

Leasing Guarantee: Agent will guarantee each tenancy for 12 months! (Military Clause Excluded) This means that should a resident that Agent screened and placed under an executed lease agreement fail to complete the initial (12-month) term for their lease agreement, NO marketing fee or MLS realtor commission (if applicable) will be charged to replace that resident. This excludes any shorter lease agreements that Owner agrees to with an executed lease agreement.

Renewals or Extensions: Each time a resident renews or extends their lease agreement for 6 months or longer, Agent is paid a lease renewal fee of \$199. This charge will be paid the month after the lease extension has been executed.

Interest on Trust Accounts: Agent retains any and all income resulting from an interest-bearing account

Administrative Fees: Agent will retain any and all administrative fees, non-sufficient fund fees for returned

checks, pet admin fees, or any other assessed resident fees. Late fees will be split 50/50 between Agent and Owner.

Landlord Exit Fee: Upon completion or termination of this Agreement, owners will incur a \$100 charge for turning over all documentation, accounting for all funds, archiving all files, and forwarding any information required to the owners and/or the residents. All files and accounting are required to be archived for seven years.

20. FEES IN THE EVENT OF A SALE

If at any time the owner sells the property to a resident procured through or managed by Agent, Owner will pay a commission to Agent equal to 4% of the total sales price of the home.

If Owner hires Agent to list and sell the property in the future (to a buyer other than the resident), they may do so by a separate agreement.

21. EARLY TERMINATION OF AGREEMENT

- a. After hiring Agent but prior to securing an approved application for the property, Owner may cancel this Agreement upon immediate written notice and forfeit their \$399 non-refundable marketing fee. After Agent secures an approved application for the property and prior to the anniversary of this Agreement date, Owner may 'early-terminate' this agreement subject to a \$1,000 early termination fee upon thirty(30) days written notice. Any transfer of title to the property not pre-authorized in writing by Agent, will also entitle Agent to the early termination fee.
- b. Agent may cancel this Agreement within thirty (30) days of written notice to the property Owner with no termination fee charged to the Owner. Agent may, but is not required to cancel this Agreement immediately by notice to Owner in the event that: (i) a notice of trustee's sale or judicial foreclosure is recorded against the Residence; (ii) Owner fails or refuses to comply with any rule, order, determination, code, ordinance or law of any governmental authority; (iii) Owner refuses to correct a hazardous condition on the Residence.
- c. Upon cancellation of this Agreement, Owner shall assume all contractual obligations and payment of all outstanding amounts due pertaining to the Residence or

arising from this Agreement. Agent may withhold funds as permitted by law to pay any amounts due, expenses previously incurred but not yet invoiced, and to close accounts. Agent shall deliver to Owner the balance of any monies due Owner, held by Agent, as well as a final accounting reflecting the balance of income and expenses as required by law.

- d. Owner and Agent expressly agree that in the event of a Notice of Trustee Sale (or any other foreclosure notice) being issued for the property, Owner i. agrees to pay Agent a \$1500 fee, ii. Authorizes Agent to waive monthly rent for up to 30 days for the resident and iii. Authorizes Agent to terminate the lease agreement and fully refund the security deposit to the resident without any charges for property damage or rent, fees, etc.

22. LIABILITY AND INDEMNIFICATION

- a. Agent is not responsible or liable in any manner for personal injury to any person or for loss or damage to any person's real or personal property resulting from any act or omission not caused by manager's negligence, including but not limited to injuries or damages caused by: Other Agents, their associates, inspectors, appraisers, and contractors who are authorized to access the property on behalf of the Owner; acts of third parties (vandalism, theft, or other criminal acts); freezing or leaking water pipes; a dangerous condition or environmental condition of the property; natural disasters or flooding; or the property's non-compliance with any law or ordinance.
- b. Agent is not responsible or liable in any manner for any late fees, or other charges Owner incurs to any creditor caused by late or insufficient payments by any resident if the property damages to Owner caused by a resident's breach of the lease.
- c. Owner agrees to protect, defend, indemnify, and hold Agent harmless for any damage, costs, attorney's fees, and expenses that: (1) are caused by Owner, negligently or otherwise; (2) arise from owner's failure to disclose material or relevant information about the property; (3) are caused by Owner giving incorrect information to any person; (4) related to the management of the property and are not caused by Agent, negligently or otherwise.
- d. Owner is responsible for and liable for all contracts and obligations related to the property for maintenance, service, repairs, and utility arrangements made before

or during this Agreement. Owner agrees to hold the manager harmless from all claims related to such contracts.

- e. INDEMNITY PROVISION: IF ANY THIRD PARTY ASSERTS ANY CLAIM AGAINST AGENT FOR ANY CAUSE OF ACTION RELATED TO THE LEASE AGREEMENT OR THIS AGREEMENT, OWNER WILL INDEMNIFY AGENT FROM ANY CLAIMS, INCLUDING ATTORNEY FEES INCURRED IN DEFENSE OF ANY CLAIM.

23. PROPERTY CONDITION

- a. Owner shall disclose in writing all material (important) facts regarding the property to Agent, including all physical, environmental, and other conditions that affect the property and any violations of applicable building, zoning, fire, health, and safety codes. Owner shall immediately notify Agent of any changes in the disclosures made herein or otherwise. Owner acknowledges that the failure to make legally required disclosures may result in civil liability.
- b. **Utilities:** Owner is required to keep utilities connected and enabled to the home during any vacancies. Utilities include water, gas, and electricity. Utilities may be removed from the Owner's name starting on the first day of the executed lease agreement.
- c. **Lead-Based Paint:** Was the property to be managed under this Agreement built prior to 1978?

[] In this box, select "YES" or "NO".

If YES - Owner shall notify Agent of any known lead-based paint or lead-based paint hazards in the property and provide Agent with any lead-based paint risk assessments or inspections of the property that may exist. Owner will complete and attach to this Agreement, upon request by Agent, an addendum regarding lead-based paint and lead-based paint hazard information.

24. POOL MAINTENANCE

Owner agrees to provide an ongoing pool maintenance service contract with Agent. All billing and service arrangements may be made through Agent.

25. OWNER HOME WARRANTY

Does Owner have a home warranty?

[] In this box, select "YES" if your property has a home warranty. Select "NO" if there is no home warranty.

Agent does not recommend using a 3rd party provider for home warranty services. Under this Agreement service calls that require the involvement of a 3rd party home warranty vendor may incur additional charges.

26. FREE PET DAMAGE PROTECTION

Agent may charge a one-time pet fee to the resident per each approved pet. Agent offers a guarantee that any damages caused to the home, above normal wear and tear, resulting from the approved pets that are not covered by the security deposit will be reimbursed by Agent to make necessary repairs on behalf of Owner up to \$1000. This excludes any service animals per the fair housing guidelines. This free pet damage protection is limited to an amount of \$1,000 per incident. Any collection efforts under this provision become the sole responsibility and ownership of Agent

27. ACH INFORMATION FOR DIRECT DEPOSIT

Agent uses property management accounting software to send monthly owner draws directly to Owner's account via ACH. We request your banking information below and your signed authorization to conduct ACH transactions with your banking institution. We are only able to send funds to Owners via ACH.

___ Checking account ___ Savings account

Name on owner account: _____

Bank Name: _____

Account Number: _____

Routing Number: _____

28. SIGNATURES

Owner

Owner

Agent - Mark Brower Properties

Broker Log # _____ Broker Review _____

