

ASSOCIATED BROKERS REALTY, INC.
900 Wadsworth Boulevard, Lakewood CO 80214-4511
Phones: 303-237-7676 Office, 303-237-7674 FAX

PROPERTY MANAGEMENT AGREEMENT

In consideration of the covenants herein contained, the party whose name is executed on this agreement as "Owner" and the party whose name is executed on this agreement as "Agent" agree to the following:

1. The Owner hereby engages the Agent to have the exclusive management of the property known as: **Your property** City: **Your city**, State: **Colorado** Zip: **your zip** upon the terms and conditions set for commencing on the **1st** day of **July** 20**14**, and expiring on the **1st** day of **September** 20**15**, and automatically renewed for like periods subject to either party having the right to cancel this agreement by giving the other party thirty (30) days written notice of the intention to do so. The Agent accepts the management of said property as provided herein, together with any personal property therein or used in connection therewith as set forth in any inventory attached hereto and made a part hereof.
2. The Agent, in accepting management of said property, hereby obligates itself to perform the duties below if applicable, as herein provided, using its best judgment, effort and ability:
 - a) Advertising property or portions of property for rent or lease; selecting and obtaining tenants; executing tenancies and rental agreements as well as extensions and renewals of same;
 - b) For and on behalf of the Owner, engage and discharge at will employees and independent contractors needed for service and maintenance of the premises including, but not limited to, building management, cleaning, decorating, maintaining, cutting and irrigating lawns, trimming trees, hauling trash, cleaning ash pits, making repairs, replacements, alterations or improvements and maintenance, renovation and repair of personal property;
 - c) Effect contracts for utilities or other services in the name of the Owner and purchase supplies and equipment necessary for the operation of the premises;
 - d) Effect insurance and pay premiums for same from Owner's account, when instructed in writing by Owner;
 - e) Make principal, interest, and escrow account payments from Owner's account, when instructed in writing by Owner;
 - f) Collect rents, security deposits, and all other receipts and to deposit such moneys in a trust account with a qualified banking institution. To sue for rents and other moneys due, obtain possession, terminate tenancies, leases or rental agreements, and arrange for consent to any assignments or subletting of premises;
 - g) Assist in obtaining settlements on insurance and other claims and to employ attorneys as and when needed;
 - h) Negotiate and effect contracts with unions as they may affect workmen and/or employees;
 - i) Pay all bills incurred from the Owner's account including but not limited to the fees for Agent and moneys advanced by Agent, charges for advertising, postage, telephone calls, resident manager expense, printed forms, rental agreements, stationery, office supplies, property inspections, video documentation, and any other items required in performance of Agent's duties under this agreement.
3. Notwithstanding anything herein to the contrary, the Agent shall not have the authority to do any of the following without the consent of the Owner:
 - a) Effect a rental agreement for a term longer than **one year**;
 - b) Incur any expenses for any single repair, alteration, decoration, purchase or replacement of equipment or chattels in excess of **\$300.00**, unless an emergency exists. In the event Owner is not available for consultation, to contract for such repairs and expenditures as are necessary for the protection of the property from damage, or to perform services to the tenants provided for in their leases.
4. The following fee schedule shall apply for the services rendered:
 - a) Selection or obtaining a tenant or tenants: the greater of **\$n/a** or **50%** of one month's rent. Lease renewal/extension fee shall be the greater of: **\$100.00** or **n/a%**.
 - b) The greater of **10%** of the rents and any other income collected or **\$55.00** as a monthly management fee;
 - c) When the property is totally vacant, for supervision and rendering of such services as Agent deems necessary, an minimum amount of **\$55.00** per month;
 - d) Such fee or fees as may be agreed to, from time to time, to compensate Agent for making contracts and supervising repairs, alterations, replacements, improvements, remodeling, additions, decorating, or otherwise pertaining to the premises, which are not usual or normal. Agent may charge for video documentation, property inspections, providing additional copies of any information, accounting reports and receipts previously provided to Owner. Agent may bill hourly for travel and court appearance time related to tenant disputes such as evictions or security deposit disputes. Associated Brokers Realty, Inc.'s maintenance employees used on some repairs are invoiced at a minimum of: **\$35.00 – 50.00 Per Hour**.
 - e) Any late fees or other charges such as insufficient fund, rent check penalty charges, notice-posting charges, application fees, that are collected from the renters shall be paid to Agent. Interest, if any, collected on trust accounts holding owner or tenant funds and security deposits, shall be paid to Agent. If interest is required to be paid by law to renters on security deposits, the interest shall be paid to the renters from Owner funds at the time the deposit is refunded to renter.
5. Owner assumes full responsibility for the payment of any expenses and obligations incurred in connection with the exercise of agent's duties set forth in this agreement. In the event that Agent advances money for the Owner's account, or the owner is indebted to the Agent for services or otherwise, as arising out of this agreement, all moneys advanced by Agent shall be due and payable by Owner upon demand, and such sums shall bear an interest rate of 18% per annum, computed on the monthly debit balance in Owner's account. The recording of this contract or a notice with a notation of the amount owing to Agent shall become a valid lien upon the premises.
6. In order to pay such items as herein provided as well as to provide funds to cover contingencies and any emergencies, Owner agrees to establish a reserve in its account in the amount of **\$400.00**. Agent may withhold this minimum amount from remittances to Owner. Owner agrees to cover any excess of expenses over income within ten days of any request by Agent. The Agent may terminate this agreement immediately if the request for additional required funds is not paid and take action in accordance with paragraph 5 if appropriate. Owner understands that it is not Agent's obligation to advance any Agent funds for the payment of Owner operating expenses.
7. The Agent agrees, at all times, to keep and maintain, in accordance with customary business practices, suitable records and receipts pertaining to the supervision, care, management, and operation of said premises including all correspondence and data pertaining to, or in any other manner related to said premises, and to permit Owner to inspect said records and other matters and to make copies or extract therefrom during business hours while this agreement is in force. Owner agrees to give agent sufficient advance notice to prepare and provide any required information.

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8. On a monthly basis Agent shall render to the Owner itemized accounts of any receipts and disbursements incurred in connection with the management and operation of the premises and remit moneys due to Owner by placing the report and funds in the mail between the 15th and 19th calendar days of the month. Statements sent to the Owner should be reviewed for any corrections or changes within 30 days of receipt.
9. Owner shall indemnify, defend and save Agent harmless from all loss, cost, expense, attorney's fees, liability or claims for personal injury or property damage incurred or occurring in, on or about the premises. Owner shall obtain and keep in force adequate insurance against physical damage (e.g. fire with extended coverage endorsement, boiler and machinery, etc.) and against liability for loss, damage or injury to property or persons which might arise out of the occupancy, management, operation, or maintenance of the premises. The amounts and types of insurance shall be acceptable to both Owner and Agent, and any deductible required under such insurance policies shall be Owner's expense. Agent shall be covered as an additional insured on all liability insurance maintained with respect to the premises. Liability insurance shall be adequate to protect interests of both Owner and Agent and in form, substance, and amounts reasonably satisfactory to Agent. Owner agrees to furnish Agent with certificates evidencing such insurance within twenty (20) days of the execution of this agreement. If Owner fails to do so, Agent may, but shall not be obligated to, place said insurance and pay for the cost from the Owner's funds.
10. Agent assumes no liability whatsoever for any acts or omissions of Owner, or any previous owners of the premises, or any previous management or other agent of either. Agent assumes no liability for any failure of or default by any tenant in the payment of any rent or other charges due Owner or in the performance of any obligations owed by any tenant to Owner pursuant to any lease/rental agreement or otherwise. Nor does Agent assume any liability for previously unknown violations of environmental or other regulations which may become known during the period this agreement is in effect. Any regulatory violations or hazards discovered by Agent shall be brought to the attention of Owner in writing so that Owner may cure them.
11. Owner shall pay expenses incurred including but not limited to attorney fees, and Agent's cost and time, and any liability, fines, penalties or the like in connection with any claim, proceeding or suit involving any alleged violations or law by Agent or Owner or both, in connection with the operation and rental of the premises. Owner shall not be responsible to Agent for any such expenses where Agent is finally adjudged to have personally, and not in a representative capacity, violated any such law.
12. If the Owner shall fail or refuse to abide with any rule, order, determination, ordinance or law of any Federal, State, Municipal, or other governmental authority, the Agent, upon giving twenty-four (24) hour written notice mailed to the Owner at the address to which Owner's reports and remittances are sent, may terminate this agreement.
13. Unless the Owner, in writing, expressly directs, the Agent shall not be required to file any reports other than the rendering of the previously described monthly statements.
14. In the event the Owner terminates this agreement as herein before provided, Agent shall be entitled to compensation at the rate of **10%** of the rentals for the term on leases/rental agreements put into effect during the term of this agreement less any charge for such service or management fee already collected by Agent that applied to said leases/rental agreements. Said fees shall be paid to Agent before termination becomes effective, however, these fees shall not exceed **\$1,000.00** in any case.
15. Owner agrees that if the property is to be offered for sale during the term of this agreement to any party said property would be listed exclusively for sale with Agent at the commission rate of **06%**.
16. This agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the Owner and of the Agent.
17. All notices required to be given hereunder shall be in writing and mailed to the parties hereto at the addresses set forth below.
18. In the event of any legal action by the parties arising out of this agreement, the prevailing party shall be entitled to reasonable attorney fees and costs, to be determined by the court in which such action is brought.
19. Additional Terms: **na.**
20. Brokerage Duties Addendum to Property Management agreement attached as required by Colorado Real Estate Commission (form number: BDA 55-04-05).

Agent accepts the employment under the terms hereof and agrees to use diligence in the exercise of the obligations, duties, authorities and powers conferred herein upon Agent.

ASSOCIATED BROKERS REALTY, INC.

By:

_____ Date: _____
Agent: Anthony Irizarry - Property Manager

_____ Date: _____
Owner: Owner ready for property management.

_____ Date: _____
Owner:

Social Security # or Fed. Tax ID # **W-9 for 1099's each December.**

Mailing Address:

For 1099's

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