

Property Management Agreement



Owner: _____

Address: _____

Email: _____

Phone: _____

Phone: _____

Manager:

RealCore Realty LLC
Db. Arizona Rental Pros / National Rental Pros
1461 N Dysart Rd #102
Avondale, AZ 85323
602-745-1111 Phone
602-532-7560 Fax

Address of Property(ies):

Term: Management Begins: _____

Management agreement term is for 2 years from date entered above.
See termination policy below

Owner initial: _____

Property

Questionnaire

Circle all that apply

Home Warranty	Yes	no	Company Name		Expires	
	Account #		Phone #			

Parking	2 car garage	1 car Garage	Car Port	none	Space #(s)	
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Gated Community	Yes	NO	Gate Code		
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Mail Box	Box Number	Box location
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Furnished	Yes	No	Partial
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Bedrooms	1	2	3	4	Den
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Bathrooms	1	1.5	2	2.5	3
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Pool	Community	Private	No
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Pool service included	Yes	No	N/A
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Pool service Name		Phone
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Will you accept pets	Yes	No	Small cats	with approval
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Internet Service (WIFI)	yes	No
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Cable TV	No	Basic	Extended	Movie Ch
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Place settings	2	4	6	8
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Bed linens	1 set	2 sets	3 sets
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Target rent	Day	Week	Month
	\$	\$	\$

Lowest accepted rent	Day	Week	Month
	\$	\$	\$

Seasonal Rates (notes here)	
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Enter property special Features Here



Compensation: A. Lease terms of 180 days or more are subject to a 10% management fee
B. Lease terms of 30 to 179 days are subject to a 20% management fee
C. Lease Terms of less than 30 days are subject to a 30% management fee

SET UP FEE: A. \$1000.00 is charged and required up front for all **furnished vacation rentals**, this fee is used to setup up the multiple and costly advertising portals that will drive the rentals into your property. This is a ONE time fee and will never again be charged.
B. \$750.00 is charged and required up front for all **unfurnished** rentals
Existing clients that use NRP as a brokerage to purchase their rental property are exempt from start up fees.

Tenant should send the rent to RealCore Realty no later than the 5th day of the month, at which time we will deduct the property management fee and send a check with the remainder to the address listed above. **Statements and checks will be mailed to the client on or before the 5th day of each and every month FOLLOWING the month rent is collected for.**

1. **Employment of Manager.** Owner appoints and employs Manager as his/her/it's sole and exclusive agent and representative for and in connection with the leasing, management, direction, and operation of the above described Property including any improvements and any personality designed by Owner (together, the "**Property**"). Manager may hire, employ and utilize such persons as Manager deems necessary for the proper and efficient management of the Property.

2. **Authority of Manager.** The Manager and its employees are hereby authorized and empowered to rent the Property and take any action at law or equity which they may deem necessary or required to manage, operate, maintain, protect, preserve, or repossess the Property including to collect rents or other monies, employ attorneys and, after consultation with Owner, to compromise any claim before or after a suit is commenced. Owner will provide Manager with a power of attorney if necessary for Manager to obtain services or utilities.

3. **Right to Cancel.** Either party may terminate this Agreement by giving written notice to the other party. This Agreement will be terminated as of the last day of the month immediately following the month in which the notice is given. In the event of the bona fide sale or substantial destruction of the Property, this Agreement will terminate automatically.

4. **Cancellation policy.** In the event of termination by owner agrees to pay outstanding, management fees for future vacation and seasonal rental commissions as stated in the fees section above on all confirmed rentals made and confirmed by National Rental pros. In the event a current lease is in effect when termination of this agreement is executed by the owner, the owner hereby agrees to pay ten percent of the outstanding rental for the duration of the existing lease.

5. **Month-to-Month Renewal.** At the end of the term set forth above, this Agreement, if not otherwise renewed in writing by the parties, will be deemed a month to month Agreement cancelable by either party by giving written notice to the other party. This Agreement will be terminated as of the last day of the month immediately following the month in which the notice is given.

6. **Representations by Owner.** Owner warrants and represents that he/she/it is the owner of said Property and is authorized to enter into this Agreement with respect to the Property.

7. **Obligations of the Manager.** (a) **Diligence.** Manager will devote its efforts to managing, operating, maintaining and leasing the Property and will perform its duties in a diligent, careful and vigilant manner so as to manage, operate, maintain, service and lease the Property with the quality of such services, in all respects and at all times, to be equal to local community standards of professional property management and to conform to the Arizona Residential Landlord Tenant Act and to any applicable municipal ordinances. Manager will make available for the Owner the full benefit of the judgment, experience and advice of the members of Manager's organization and staff with respect to the policies to be pursued by Owner in operating, maintaining, servicing, improving and leasing the Property. Manager will use its best efforts and due diligence to identify and collect any and all income, including rents, due Owner with respect to the Property.

(b) Books and Records. During the term of this Agreement, Manager will maintain books and records with respect to the Property. Owner will have access at reasonable times to inspect, copy and audit these records, either during or after the termination or expiration of this Agreement, upon ten (10) days advance written notice. Manager will retain all books and records pertaining to this Agreement for three (3) years from the termination of this Agreement.

(c) Rental Tax Liability. Manager is under no obligation to pay file or report rental tax on the client's behalf to state, federal or local jurisdictions. All tax liabilities are the sole responsibility of the property owner.

(d) Compliance with Laws/Insurance. Manager will fully comply with all applicable laws and regulations pertaining to worker's compensation, social security, unemployment insurance, hours of labor, working conditions, and other employee related subjects. Manager will require all independent contractors and subcontractors to maintain adequate insurance to protect Manager and Owner.

(e) Maintenance and Repairs. Manager is responsible for all general maintenance necessary to keep the Property in a clean, safe and orderly condition and in compliance with all laws and government rules and regulations. Manager will keep the Property in good repair except that Manager will not incur any expense, debt, obligation, or liability in excess of \$250.00 without first obtaining the approval of the Owner, except in cases of emergency repairs which, in the sole opinion of Manager, are necessary to protect the Property from damage or to maintain services to the tenants as called for in their leases, in health and sanitation codes, in the Arizona Residential Landlord and Tenant Act, or other applicable laws and regulations. All such expenses and disbursements may be paid for by Manager out of the Trust Account or out of Manager's own funds and deducted monthly from the Trust Account or reimbursed by Owner. Owner will be solely responsible for such payments.

Compensation. If the compensation set forth above is based on gross monthly collections, then:

- "gross monthly collections" means the total gross monthly collections received from the Property in any calendar month, including minimum rents, escalations and miscellaneous income items; excluding late fees.
- Late Fees, NRP will apply late fees in accordance with the lease signed and agreed to by the tenant in respect to properties managed under this agreement, such fees are considered revenue for NRP and will not be distributed to owners. Such fees are collected to offset the costs of service, filing fees and other costs associated with notification tenants of late payments or evictions.
- Brokerage commissions – we Charge your account brokerage commission - ONLY In the event a cooperating brokerage is used to acquire a tenant and a fee is paid to that cooperating brokerage. That fee would not exceed 3% of the annual value of the lease.
- any advance rental payments will be included in the month to which they are applied;
- security and other deposits will be included only if and when the same are no longer used for security purposes but are applied as income;
- tenant reimbursements are excluded; and
- compensation to Manager will be paid each month
- Continued property management will be subject to a 10% annual charge that will be deducted from gross rents received in addition to any repair or general maintenance expenses that may have been paid by National Rental Pros on the clients behalf.
- This agreement can be terminated at any time with 30 days notice by either party.

Initial

I authorize RealCore Realty an allowance of \$250.00 to maintain property without further authorization. Any repairs or maintained above \$250.00 will be authorized by property owner, prior to work order.

8. Mortgage Payments. The Manager will be under no obligation to pay any mortgage payments. If the Owner and Manager agree that Manager will make monthly mortgage payments, Owner will deposit the equivalent of one month mortgage payment into the Trust Account at least three days prior to the date that the mortgage payment is due. This deposit will be in addition to the Owner's obligation to maintain the minimum balance set forth above. If there are insufficient funds in the Property trust account to cover such an expense, Owner agrees to forward to Manager any additional funds necessary to cover the payment prior to due date. Manager must receive funds before payment will be made and if late, must include late payment charges and penalties. Under no circumstances will Manager be responsible for late charges or penalties associated with any mortgage payments.

9. Prior Debts. Manager is under no obligation to acknowledge debt(s) of the Owner or any other individual, business, or entity, which were incurred prior to the execution of this Agreement nor will Manager assume any liability for payments of such obligations. Owner agrees to indemnify Manager from any and all claims or obligations incurred prior to the execution of this Agreement, should any such claims be made against Manager.

10. **Indemnification.** The Owner agrees to indemnify and hold harmless Manager in connection with any claim, demand, or legal action commenced or threatened by or against Manager in connection with or arising out of the Property or its operation or management except for those resulting from the gross negligence of Manager in carrying out its duties under this Agreement. Owner will indemnify Manager against failure to pay any charges relating to the Property which this Agreement requires Manager to pay if funds are not made available to Manager by Owner.

11. **Extraordinary Maintenance and Rehabilitation.** Manager may determine that certain maintenance items may exceed the normal scope of daily management duties. These items may necessitate additional and more intensive management involvement by Manager. In such circumstances Manager and Owner will agree to compensate Manager at a rate not to exceed 5% of the total cost of the defined project as agreed by Manager and Owner. Payments to Manager will be monthly and Manager may take such payments directly out of the Trust Account. Manager will provide Owner with billing statements each month for as long as the project is in effect. In the event Manager and Owner agree that Manager will perform extensive rehabilitation work, Owner agrees to advance all funds necessary for this type of work prior to commencement of the work. Operating funds from the Property will not be allocated for this purpose but are reserved for normal operating costs associated with the Property.

12. **Insurance.** Owner will maintain a public liability insurance policy in the minimum amount of \$500,000 for any single occurrence of bodily injury or property damage on or from the Property and a deductible of no more than \$10,000. Maintenance of other insurance in connection with the Property will be the responsibility of the Owner. Manager will be named as an additional insured. Owner will provide proof of such insurance to Manager upon execution of this Agreement and thereafter upon request by Manager. In the event that Owner does not provide Manager proof of such insurance coverage within five (5) days of a request by Manager, then Manager may obtain such insurance at the expense of the Owner. Manager may deduct any such expense of obtaining insurance, including premiums, from the Trust Account and Owner will reimburse manager for any remaining amount. Owner is advised to consult with the agency or carrier insuring the Property with respect to carrying sufficient insurance amounts to protect Owner and Manager from liability. Upon the request of Manager, Owner will provide any and all information regarding insurance coverage for the Property. Owner will notify Manager promptly in the event of changes in insurance coverage or carriers. Owner agrees to hold Manager harmless for any and all claims made which are not covered by the insurance.

13. **Notices.** Any notice, demand or communication required or permitted under this Agreement must be mailed certified mail, postage prepaid, return receipt requested, addressed to the addresses set forth above or to such other addresses as either party may designate by written notice to the other party. Any such notice will be deemed effectively given two (2) days after being so mailed.

14. **Binding effect.** All of the terms of this Agreement will be binding upon, will ensure to the benefit of, and may be enforced by the heirs, administrators, successors, assigns, and legal representatives of the parties. This agreement may be terminated by either party with a 30 day written notice.

15. **Costs of Enforcement.** In the event legal process is required to enforce the terms of this Agreement, the prevailing party will be entitled to its cost of such enforcement including a reasonable amount for attorney fees.

16. **Modification or Waiver.** This Agreement represents the entire contemplated Agreement between the parties and no modification to this Agreement or waiver of any provisions hereof will be deemed effective unless in writing and executed by all of the parties hereto.

17. **Other Fees and Charges.** NRP does not charge monthly or annual dues to existing clients, our fee is based on a percentage of the rent depending on the term of the rental is described above. There are NO hidden charges, taxes or fees charged to you by NRP. Only fees charged to NRP that reference your property will be passed on to you. Cooperative brokerages are often used to secure renters, this is a fee charged to us that will NOT exceed 3% of the value of your lease and is paid to the finding brokerage realtor. This fee is advertised as a co-brokerage fee in the Real Estate MLS (Multiple Listing Service) and is not a fee collected in any part by NRP. NRP does NOT charge lease fees.

18. **Applicable Law and Jurisdiction.** This Agreement will be governed pursuant to the laws of the State of Arizona. Any claims brought pursuant to enforce the terms of this Agreement will be brought in the county of Maricopa, State of Arizona. Further, Manager may request at any time that any claim made pursuant to this Agreement be finally resolved in binding arbitration pursuant to the rules then in place for such arbitration by the American Arbitration Association or any comparable organization.

19. **In Addition.** Property manager shall arrange such cleanings after tenant departures as well as list the property to the fullest abilities of RealCore Realty including but not limited to; the MLS, Yahoo.com Realtor.com,

RealCoreRealty.com as well as other affiliated websites. RealCore Realty will also be sure to issue 5-day notifications for delinquent tenants after notification from the seller.

20. Termination Policy. This agreement may be terminated by either party with a 30 day written notice, upon termination, a statement of accounts will be provided by the manager and submitted to the property owner. Any outstanding debts will be deducted from rental incomes and deposits held in the manager trust account. In the event the Client terminates this agreement, if a lease is in progress, 10% of the remainder of the lease value is due the manager. All funds held in the tenants and the clients behalf by the manager will be surrendered at the time the account is balanced.

[signatures follow]

OWNER: _____
(Signature)

Printed Name: _____

Address _____

Title (if applicable): _____

Date: _____

MANAGER: _____
RealCore Realty Representative

Title (if applicable): _____

Date: _____

