



# WINDSOR PACIFIC PROPERTY MANAGEMENT

## Property Management Agreement

THIS AGREEMENT is hereby entered into between \_\_\_\_\_, (hereinafter "Owner") and **Rescom, Inc. Db a Windsor Pacific Property Management Company**, (hereinafter "Agent"). Owner hereby agrees to employ Agent as Owner's exclusive agent to rent, lease, operate and manage the real property located in the City of \_\_\_\_\_ County of \_\_\_\_\_ State of California, Commonly known as: \_\_\_\_\_, (hereinafter "Premises") for a period of one (1) year, commencing on \_\_\_\_\_, and ending on midnight \_\_\_\_\_; provided, however, that the term hereof shall automatically renew for additional one (1) year periods on the same terms and conditions as set forth herein, unless on or before sixty (60) days prior to the expiration of each said period, either party notifies the other in writing that it elects to change or terminate this Agreement; provided further, however, that either party may terminate this Agreement for good cause during the term hereof or any extension by giving to the other party not less than thirty (30) days prior written notice.

### Authority and Obligations of Agent

1. To advertise the availability of the Premises for rent or for lease by placing signs on or near the Premises, soliciting real estate brokers and salespersons, advertising in media sources, including but not limited to local newspaper. To place a lock box on the Premises;
2. To negotiate, sign, renew or cancel rental agreements, including leases, for the Premises or any part thereof. To negotiate leases for terms not to exceed 12 months;
3. To collect rents and security deposits or other charges and expenses due or to become due and to give receipts therefor. To deposit any receipts in a trust account in Agent's name;
4. To serve such notices as are necessary and appropriate on tenants including, but not limited to, termination notices, notices to pay rent or quit and notices to comply with covenants or quit;
5. To employ attorneys for the purpose of enforcing Owner's rights under rental agreements and leases and to institute and prosecute legal actions on behalf of Owner, to evict tenants to recover possession of the Premises and to recover rents and other sums due and to settle, compromise and release such claims, actions or suits and to reinstate such tenancies as Agent believes is appropriate for the benefit of Owner;
6. To provide all services reasonably necessary for the proper management of the Premises including periodic inspections, supervision of maintenance, arrangement for improvements, alterations, pest control repairs and decorations as may be required by Owner or deemed necessary by Agent for proper upkeep and rental of the Premises;
7. To purchase such supplies and enter into such contracts for repair, maintenance, alteration and decorations of the Premises as may be necessary in the discretion of Agent to provide proper upkeep for the Premises; provided, however, that Agent agrees not to expend in excess of \$250.00 for any one item of repair, alteration or redecorating except for monthly or recurring operating charges and emergency repairs if, in the opinion of Agent, such repairs are necessary to protect the Premises from damage or to prevent to life or the property of others or to avoid suspension of necessary services or to avoid penalties or fines or to maintain services to tenants as may be called for in their rental agreements;
8. To hire, supervise and discharge all qualified, insured independent contractors required in the operation, maintenance and upkeep of the property at rates of compensation to be determined and agreed upon by Owner and Agent when such total potential costs exceed \$250.00. Agent shall not be responsible for the misfeasance or malfeasance of said independent contractors if reasonable care has been exercised by the Agent in their appointment and retention;
9. To execute service contracts for electricity, gas, water, cable, telephone, window cleaning, rubbish hauling and other services or utilities for the operation, maintenance and safety of the Premises as Agent and Owner may deem necessary; provided, however, that the items of such contract shall not exceed 12 months and the amount payable each month shall not exceed \$100.00 without written approval of Owner;
10. To pay from receipts all operating expenses and such other expenses as may be authorized by Owner, including but not limited to, loan indebtedness, property taxes, special assessments and insurance premiums;

11. To maintain accurate and complete accounting records of all moneys received and disbursed in connection with the management of the Premises which said record shall be opened for inspection by Owner during regular business hours and upon reasonable advance notice to Agent; provided, however, Agent shall submit on a monthly basis a written statement to Owner indicating cash receipts and disbursements during the previous month period along with copies of all paid bills.

### Obligations of Owner

In consideration of the foregoing undertaking by Agent, Owner shall:

1. Indemnify and hold Agent harmless from any and all costs, expenses, attorney's fees, suits, liabilities, damages from or connected with the management of the Premises by Agent or the performance or exercise of any of the duties, obligations, powers and authorities herein or hereinafter granted to Agent;
2. Not hold Agent liable for any error of judgment or for any mistake of fact or law, or for anything which Agent may do or refrain from doing hereinafter except where such act or omission is a result of willful misconduct or gross negligence;
3. Carry, at Owner's expense, workers compensation insurance for Owner's employees and to carry at Owner's expense bodily injury, property damage and personal injury, public liability insurance in an amount of not less than \$500,000 combined single limit for bodily injury and property damage which such policy shall name Agent as an additional insured;
4. Upon demand, furnish forthwith Agent with a certificate of insurance evidencing that the above insurance coverage is in force and effect with a carrier acceptable to Agent and in the event Agent receives notice that said insurance coverage is canceled or for any reason void or ineffective, Agent shall have the option to immediately cancel this Agreement; Property insurance must name Windsor Pacific Property Management Company as "additionally insured" at no additional cost to property owner.
5. LEAD-BASED PAINT DISCLOSURE: Owner represents that:
  - The property was constructed on or after January 1, 1978.
  - The property was constructed prior to 1978 (Owner to complete items 1 and 2 below):
    - (1) Owner has no knowledge of lead-based paint or lead-based paint hazards in the housing except: \_\_\_\_\_
    - (2) Owner has no reports or records pertaining to lead-based paint or lead-based paint hazards in the housing, except the following, which Owner shall provide to WPPM \_\_\_\_\_
6. Assume 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;
7. Accept full responsibility for any and all tenant deposits, including interest due tenants on any such deposit, in the event said deposits and interest cannot be refunded from the operating account for the Premises while still maintaining an appropriate cash level in said operating account; Security Deposit shall remain in owner's operating account held by Windsor Pacific Property Management.
8. Deposit with Agent \$250.00 (per unit) as an initial operating reserve and will cover any excess of expenses over income within 20 calendar days of any request by Agent. Failure to honor such request authorized Agent to immediately terminate this Agreement. Owner acknowledges that it is not Agent's obligation to advance Agent's own funds for the payment of Owner's operating expenses;
9. Pay to Agent a management fee equal to 6% percent of all rent and other income from the Premises received or authorized to be received by Agent, including any and all sums collected under any rental agreements; provided, however, that the minimum fee for management shall be \$100.00 per month, per unit., and the maximum fee shall be \$200.00 per month, per unit. In addition to the foregoing management fee, pay to the Agent n/a upon execution of this Agreement as a nonrefundable setup fee for the purpose of creating an account for Owner and the various files and other mechanism used by the Agent in processing Agent's handling of Owner's business as referred to herein.
10. Pay to Agent for each rental agreement or lease entered into the sum of 50% of the first month's rent.
11. Pay to Agent for each rental agreement or lease renegotiated the sum of \$100.00.
12. Pay to Agent all late charges, bad check charges, application fees and other service charges paid by or on behalf of rental applicants and tenants in connection with the management of the Premises so as to offset the reasonable expenses incurred by Agent in managing and enforcing the respective provisions of the rental agreement and lease;

