



PROPERTY MANAGEMENT AGREEMENT

AGREEMENT DATE _____, 2017
OWNER _____
OWNER ADDRESS _____
OWNER PHONE/CELL _____/_____
OWNER EMAIL _____
OWNER SOCIAL SECURITY / TAX ID NUMBER _____
BANK NAME (U.S. BANK ONLY) _____
ROUTING # (9- DIGIT) _____
ACCOUNT # _____
PREMISES STREET ADDRESS _____
CITY _____ COUNTY Whatcom STATE WA ZIP _____
UNITS 1 CLASSIFICATION _____ YEAR BUILT _____
RENT RANGE \$ _____ MAINT. RESERVE \$ _____
PET POLICY _____
AGENT ACCESS REAL ESTATE SERVICES
PROPERTY MANAGER _____

AGENT FEES: \$150.00 ONE-TIME SET UP FEE PAID? _____
MONTHLY FEE OF X% OF GROSS RECEIPTS. \$X.XX ON NEW LEASE AGREEMENT. \$X.XX ON AN EXISTING LEASE RENEWAL

In consideration of the covenants herein contained, Owner and Agent agree as follows:

The Owner employs Agent solely and exclusively to manage the Premises upon the terms set forth herein, beginning on the aforementioned agreement date for an indefinite term until cancelled (see section D. regarding cancellation terms).

A. Agent's Duties:

- 1. Advertising: Agent shall solicit prospective tenants by advertising in various web and other media sources the Agent deems appropriate. Agent will display "For Rent Signs" at the property upon the owner's request. A fee may be applied with pre-approval from the owner.
2. Tenant Screening: Agent shall screen each tenant by reviewing past credit history, criminal background verifying

current or past employment information, and/or verification of current and past landlords. The Agent shall pay for the cost of the screening and charge each tenant an application fee to reimburse the Agent for such costs. The Agent will keep any fee in excess of the cost.

- 3. Unit Inspections: Each tenant is required to complete and sign a Condition Check-In List that is reviewed by the Agent and verified. At the end of the lease term, there will be a walk-through inspection of the unit identifying physical condition of the unit.
4. Leasing: Agent shall negotiate and execute a lease or leases and all necessary addendums for the Premises based upon parameters established by the Owner. Such lease negotiations may include, but not necessarily limited to: Lease Renewals, Lease Amendments, Lease Extensions, Assignments, and Consents. Agent may enter into Sublease Agreements for the Premises using the same criteria as defined in A.2 above. The Agent will establish Lease terms unless otherwise directed by the Owner.
5. Deposits: Agent shall collect a Cleaning, Damage, and Performance Deposit and/or a Pet Deposit at the time of lease signing and deposit these amounts in the Agent's Security Deposit Trust Account; Agent may retain, on behalf of the owner, any or all of the deposit as deemed necessary to pay any incurred costs due under the terms of the tenant's deposit agreement. The remaining deposit, if any, shall be refunded to the tenant. The interest earned on these deposits shall be the property of the Agent. Agent bears the sole responsibility of determining the amount of deductions for a Tenant's Deposit. At move-out, all Tenants are charged to clean their carpets. This charge comes directly out of the Deposit. Tenants are charged the normal market price for such cost. Other charges to Tenants are based on actual costs or estimates.
6. Rents: Agent shall collect rents on behalf of the Owner and deposit it into the Agent's Owner Trust Account. Owner is responsible to reimburse Agent for any overdraw due to tenant returned checks deposited in the Agent's Owner Trust Account. Agent will pay bank charges associated with these returned checks. In the event funds are not available to pay bills, Agent agrees to notify owner and Owner agrees to deposit appropriate funds within 48 hours of notice. Agent reserves the right not to pay bills until such funds are received from the Owner to cover any shortfalls. Failure by the Owner to provide funds requested by the Agent may result in immediate termination of entire Agreement at the Agent's sole discretion. The Agent shall not be held liable in the event of bankruptcy or failure of depository.
7. Fees: Agent may collect and retain various fees associated with the Premises including late rent fees, charges for non-negotiable checks, lease exit fees, fees associated with non-compliance of lease terms, and/or service fees for subleasing or re-leasing.
8. Evictions: Agent shall pursue delinquent accounts until it becomes apparent to the Agent the account is uncollectible. Agent may terminate tenancies and sign and serve required notices. Agent, only after receiving written approval from the owner, may initiate legal action and investigate eviction procedures. Owner shall pay expenses of serving notices and litigation, including attorney's fees, and court costs which the

Agent does not recover from tenants. Owner may select the attorney.

9. **Collections:** Collections and costs of collections of unpaid rents, damage costs and other expense unpaid by the Tenant shall be the sole responsibility of the Owner. Agent agrees to send all unpaid charges to a collection agency. The Agent will determine agency used. If owner wants Agent to pursue such collections, this is evidenced by an attached Addendum to this Agreement. The Owner releases the Agent and does expressly waive the right or claim against Agent for loss of rent or loss resulting from damages to the Premises or contents thereof arising from any cause whatsoever. Agent shall have no responsibility to maintain any insurance including for damages due to fire on said Premises.
10. **Lease Terms:** Agent shall not release tenant(s) from lease terms without the Owner's authorization. All terms of the lease shall be enforced for the duration of the lease unless the Owner authorizes otherwise.
11. **Monthly Statements:** Agent will provide the Owner with a monthly summary of cash receipts and expenses around the 20th of each month. The summary statements will be provided via the supplied email address.
12. **Maintenance Reserve:** The Agent shall maintain in trust a Maintenance Reserve balance as noted above in the Owner's ledger for unexpected expenses such as minor repairs. **In the event that present or future disbursements cause the Owner's ledger balance to fall below the above stated minimum balance, Owner agrees to promptly make payment to Agent to bring the ledger balance back to the required minimum.**
13. **Disbursements for Owner:** Agent shall remit net proceeds around the 20th of each month. The Agent agrees to make electronic monthly disbursements to the supplied bank account.
14. **Maintenance:** Agent shall supervise repairs, routine maintenance, contract services, and purchase supplies for the Premises as necessary. If Agent uses a qualified independent service provider, the charge will be equal to the actual amount charged by the service provider. Agent agrees to obtain the Owner's prior authorization on all expenditures in excess of \$200.00 per unit per month. Exception may be made if repairs are of an emergency nature or necessary to protect the Premises from damage or to maintain services to the tenants as called for in their leases. Payments for such services shall be deducted from the Owner's fund on a monthly basis. Annual "winterization" of any single-family residence is the responsibility of the Owner.
15. **Service Contracts:** Agent may enter into contracts for electricity, gas, fuel, water, telephone, lawn care, grounds maintenance/cleaning, rubbish hauling etc. The Owner agrees to assume the obligation of any Owner approved contracts entered into by the Agent on the Owner's behalf.
16. **Re-keying Premises:** The Owner acknowledges having been advised by Agent of the increased security and limitation of liability of Owner and Agent afforded by changing locks in each unit when possession is taken by each new tenant.

____ Owner elects to bear the cost of such re-keying for each new tenant of each unit

XXOwner agrees to indemnify and hold Agent harmless from any and all claims asserted by any tenant from the failure of Agent to re-key a unit for a new tenant.

17. **Documents:** All documents used by the Agent including the form of this Agreement and the Lease Agreement shall not be reproduced in whole or in part by any person without the express written consent of the Agent.

B. Agent's Compensation:

The Owner shall pay Agent the following fees:

1. A monthly fee as described above, beginning on the Agreement date and every month thereafter for the term of the contract.
2. A fee for each newly executed lease as described above. If an existing tenant renews their lease agreement a renewal fee of \$100.00 is charged.
3. Owner further agrees that Agent may retain one half of all forfeited holding deposits by applicants on bona fide offers to lease or rent.
4. If Agent collects any portion of rents due for a month in which the Agreement terminates, Agent is entitled to full month's management fee.
5. One-time Set up fee as described above. If the unit has current tenants this fee will be due at the time of a turnover requiring marketing to be set up.

C. Insurance and Indemnification:

1. **Indemnification:** Except for the Agent's willful misconduct or gross negligence, Owner shall indemnify and hold Agent harmless from costs, expenses, attorney's fees, suits, liabilities, and damages arising from all claims and/or suits in law brought as a result of Agent's performance or exercise of any of the duties, obligations, powers or authorities herein or hereafter granted to Agent.

Owner agrees to pay all expenses incurred by the Agent, including without limitation, attorney's fees for counsel employed to represent the Agent or the Owner in a preceding or suit involving an alleged violation by the Agent or Owner, or both, of any constitutional provision, statute, ordinance, law or regulation of any governmental body pertaining to fair employment, Federal Fair Credit Reporting Act, environmental protection or fair housing, including, without limitation, those prohibiting or making illegal discrimination on the basis of race, creed, color, religion or national origin in the rental or other disposition of housing or any services rendered in connection therewith (unless the Agent is finally adjudicated to have personally and not in a representative capacity violated such constitutional provision, statute, ordinance, law or regulation). Nothing herein contained shall require Agent to employ counsel to represent the Owner in any such proceeding or suit.

Owner agrees to indemnify, defend, and hold harmless Agent from any third-party claims, including bodily injury and property damage, arising out of proper performance by Agent or of its responsibilities and obligations pursuant to this Agreement; provided, however, that this indemnification shall exclude Agent's gross negligence, willful misconduct or acts beyond the scope of the Agent's authority pursuant to this Agreement. Agent

hereby elects to indemnify and hold harmless Owner from and against any loss, damage injury or liability, including attorney's fees and court costs, as a result of Agent's gross negligence or willful misconduct.

The Agent does not assume and is not given responsibility for compliance of any building on the Premises or any equipment therein with the requirements of any statute, ordinance, law or regulation of any governmental body or any public authority or official thereof having jurisdiction, except to notify the Owner promptly or forward to the Owner promptly any complaints, warnings, notices or summonses received by it relating to such matters. The Owner represents that to the best of his/her/its knowledge the Premises and/or equipment comply with any such requirements and authorizes the Agent to disclose the ownership of the Premises to any such officials and agrees to indemnify and hold harmless the Agent, its representatives, and employees, from all costs and expenses and liability whatsoever which may be imposed on them for any reason of any present or future violation or alleged violation of such laws, ordinances, statutes, or regulations.

2. **Owner's Insurance:** Owner agrees to carry and keep in force fire and extended coverage insurance, including vandalism and malicious mischief coverage, in an amount equal to the full replacement value of the Premises. Owner agrees to carry bodily injury, property damage and personal injury public liability insurance with an aggregate limit of not less than \$500,000, unless otherwise specified here _____.

***Agent will need copy of Insurance Policy Declaration Page for the file.**

D. Terms of Cancellation:

1. Owner may terminate this agreement for any reason upon thirty (30) days' written notice to the Agent.
2. Agent may terminate this agreement for any reason upon thirty (30) days' written notice to the Owner.
3. All charges and fees due and owing to Agent shall become payable at the time of notice of termination. If funds are owed to Agent for an executed lease with a commencement date beyond the date of termination, those funds shall be made available to Agent prior to release of records and funds to Owner by Agent.

E. Entire Agreement:

This agreement contains all agreements of the parties and there are no verbal or other agreements, which modify or effect this Agreement. All other additional services not provided for herein will be provided at the Owner's expense. This Agreement may not be modified, altered or amended in any manner except by an agreement in writing executed by the parties hereto, and referenced hereon, **dated and signed by all parties.**

F. Owner Acknowledgement of disclosures:

_____ Owner acknowledges receipt of the pamphlet required by R.C.W. 18.86.030(1)(f) entitled "The Law of Real Estate Agency"

_____ Owner acknowledges reading and signing the "Lead Paint Disclosure"

G. Attorney's Fees:

In the event of litigation between the parties over the interpretation or enforcement of this Agreement, the prevailing party shall be paid its reasonable attorney's fees and costs. If any part of this Agreement shall be found or held to be invalid, such ruling shall not affect the validity of any other part thereof.

H. Successors/Assigns:

This Agreement shall be binding upon the respective parties, their assigns, successors, administrators, personal representatives, and executors.

WITNESS WHEREOF, the parties hereto affixed or caused to be affixed their respective signatures this _____ day of _____, 20____.

OWNER(S): _____

Signature

Printed Name

AGENT: _____

Signature

ACCESS REAL ESTATE SERVICES
809 West Orchard Drive
SUITE 8
BELLINGHAM WA 98225
PO Box 5127
BELLINGHAM WA 98227
360-685-0123 office
360-386-1315 fax

DESIGNATED BROKER: _____

Signature