



**Property  
Management** INC.®

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**PMI INDIANAPOLIS**

## **Property Management Agreement**

**PMI Indianapolis  
15275 Stony Creek Way  
Suite A  
Noblesville, Indiana 46060**

**317-572-7036**

# RESIDENTIAL PROPERTY MANAGEMENT AGREEMENT

Contract Start Date: \_\_\_\_\_

**1. PARTIES:** The parties to this agreement are:

**A. OWNER:**

Name: \_\_\_\_\_

LLC: \_\_\_\_\_

Address: \_\_\_\_\_

City, State, Zip: \_\_\_\_\_

Mobile Phone: \_\_\_\_\_

Email: \_\_\_\_\_

Date of Birth: \_\_\_\_\_

Portfolio Type/Name: \_\_\_\_\_

**B. MANAGER or BROKER:**

Name: PMI Indianapolis

Address: 15275 Stony Creek Way Suite A

City, State, Zip: Noblesville, Indiana 46060

Phone: 317-572-7036 Email: support@pmiindy.com

C. Owner appoints Manager as Owner's sole and exclusive leasing and/or managing agent of the real property described in Section 2 and in any addendum to this agreement.

**2. PROPERTY: "Property" means:**

Address: \_\_\_\_\_

Owner represents and warrants to Property Manager that they are the sole owner(s) of fee simple title, or are fully authorized to enter into this binding and enforceable Agreement, for the above listed Property and any additional property that may be added to the portfolio in the future. Owner appoints Property Manager as Owner's sole and exclusive leasing and/or managing agent of the real property described in Section 2 and in any addendum to this agreement.

“Property” also includes any other Property described in any attached Multiple Property Addendum.

### 3. TERM:

- A. Primary Term: The primary term of this agreement begins on the “Contract Start Date” and runs on a month to month basis after the first full calendar month.
- B. Automatic Extension: Unless either party provides written notice of termination to the other party at least 30 days before the Expiration Date, this agreement will automatically extend on a monthly basis until either party terminates by providing at least 30 days written notice to the other party.
- C. Effective Services: If Manager determines that Manager cannot continue to effectively provide leasing and management services to Owner for any reason at any time during this agreement Manager may terminate this agreement by providing written notice to Owner.
- D. Fees Upon Termination: At the time this agreement ends, Owner must pay Manager amounts specified in Section 12. Manager will complete final accounting and process the final transfer of funds to the Owner within 60 days of the termination date of this agreement.

### 4. AUTHORITY OF MANAGER:

- A. Leasing and Management Authority: Owner grants to Manager the following authority which Manager may exercise when and to the extent Manager determines to be in Owner's interest:
  - 1. Advertise the Property for lease at Owner's expense by means and methods that Manager determines are reasonably competitive, including but not limited to creating and placing advertisements with interior and exterior photographic and audio-visual images of the Property and related information in any media and the Internet;
  - 2. Place “For Lease” signs or other signs on the Property in accordance with applicable laws, regulations, ordinances, restrictions, and owners' association rules;
  - 3. Remove all other signs offering the Property for sale or lease;
  - 4. Submit the Property as a listing with one or more Multiple Listing Services (MLS) at any time the Property is marketed for lease and to change or terminate such listings;
  - 5. Authorize other brokers, their associates, inspectors, appraisers, and contractors to access the Property at reasonable times for purposes contemplated by this agreement and to lend keys and disclose security codes to such persons to enter the Property;
  - 6. Duplicate keys and access devices, at Owner's expense, to facilitate convenient and efficient showings of the Property and to lease the Property;
  - 7. Place a keybox on the Property;
  - 8. Employ scheduling companies to schedule showings by other brokers at any time the Property is marketed for lease;
  - 9. Verify information and references in rental applications from prospective tenants;
  - 10. Negotiate and execute leases on Owner's behalf for the Property at market rates and on competitively reasonable terms for initial terms in accordance with any instructions in Section 27;
  - 11. Negotiate and execute any amendments, extensions, or renewals to any leases for the Property on Owner's behalf;
  - 12. Terminate leases for the Property, negotiate lease terminations, and serve notices of termination;
  - 13. Collect and deposit for Owner rents, security deposits, and other funds related to the Property in a trust account and pay from that account: (a) any compensation and reimbursements due Manager

under this agreement; and (b) other persons as this agreement may authorize.

14. Account for security deposits that Manager holds in trust to any tenants in the Property in accordance with applicable law, this agreement, and any lease of the Property and make deductions from the deposits in accordance with the lease and applicable law;
15. Collect administrative charges including but not limited to, application fees, returned check fees, and late charges from tenants in the Property or from prospective tenants;
16. Institute and prosecute, at Owner's expense, actions to: (a) evict tenants in the Property; (b) recover possession of the Property; or (c) recover lost rent and other damages;
17. Settle, compromise, or withdraw any action described in Section 4.A.16;
18. Negotiate and make reasonable concessions to tenants or former tenants in the Property;
19. Report payment histories of tenants in the Property to consumer reporting agencies;
20. 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;
21. Hire contractors to repair, maintain, redecorate, or alter the Property provided that Manager does not expend more than \$500 for any single repair, maintenance item, redecoration, or alteration without Owner's consent;
22. Hire contractors to make emergency repairs to the Property without regard to the expense limitation in Section 4.A.21 that Manager determines are necessary to protect the Property or the health or safety of an ordinary tenant;
23. Contract, at Owner's expense, in either Manager'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 Manager determines are reasonable to maintain and care for the Property; and
24. Perform other necessary services related to the leasing and management of the Property

**B. Record Keeping: Manager will:**

- 1) Maintain accurate records related to the Property and retain such records for not less than 4 years;
- 2) File reports with the Internal Revenue Service related to funds received on behalf of Owner under this agreement (for example, Form 1099); and;
- 3) Remit, each month, the following items to Owner: (a) funds collected by Manager for Owner under this agreement, less authorized deductions and rents not yet due according to the terms of the Owner's agreement with a tenant; and (b) a statement of receipts, disbursements, and charges. Owner may instruct Manager in writing to remit the items to another person or address.

**C. Security Deposits:**

- 1) During this agreement, Manager will maintain security deposits received from tenants in a trust account and will account to the tenants for the security deposits in accordance with the leases for the Property.
- 2) Except as stated in Section 4.H, after this agreement ends, Manager will deliver to Owner the security deposit held by Manager under an effective lease of the Property, less deductions authorized by this agreement, and will send written notice to the tenant that states the following:
  - a. that this agreement has ended;
  - b. the exact dollar amount of the security deposit;
  - c. the contact information for the Owner or the Owner's designee; and
  - d. that Owner is responsible for accounting for and returning the tenant's security deposit.
- 3) If Manager complies with this Section 4.C, Owner will indemnify Manager from any claim or loss from a tenant for the return of a security deposit. This Section 4.C survives termination of this agreement.

D. Deductions and Offset: Manager may disburse from any funds Manager holds in a trust account for Owner:

- 1) any compensation due Manager under this agreement;
- 2) any funds Manager is authorized to expend under this agreement; and
- 3) any reimbursement Manager is entitled to receive under this agreement.

E. Insurance and Attorneys:

- 1) Manager may not file a claim for a casualty loss with the carrier insuring the Property. Manager may communicate with the carrier to facilitate the processing of any claim Owner may file or other matters that Owner instructs Manager to communicate to the carrier.
- 2) Manager may not directly or indirectly employ or pay a lawyer to represent Owner, except in the case of filing for the eviction of a tenant. Manager may communicate with Owner's attorney in accordance with Owner's instructions.

F. Trust Accounts, MLS, and Keybox and Listing Content:

- 1) Trust Accounts: A trust account must be separate from Manager's operating account and must be designated as a trust, property management, or escrow account or another similar name. Manager may maintain one trust account for all properties Manager leases and manages for others.
- 2) MLS: MLS rules require Manager to accurately and timely submit all information the MLS requires for participation including leased data. Subscribers to the MLS and appraisal districts may use the information for market evaluation or appraisal purposes. Subscribers are other brokers and other real estate professionals such as appraisers. Any information filed with the MLS becomes the property of the MLS for all purposes. *Submission of information to MLS ensures that persons who use and benefit from the MLS also contribute information.*
- 3) Keybox: A keybox is a locked container placed on the Property that holds a key to the Property. A keybox makes it more convenient for Managers, their associates, inspectors, appraisers, and contractors to show, inspect, or repair the Property. The keybox is opened by a special combination, key, or programmed device, so that authorized persons may enter the Property. Using a keybox will probably increase the number of showings, but involves risks (for example, unauthorized entry, theft, property damage, or personal injury). *Neither the Association of REALTORS® nor MLS requires the use of a keybox.*
- 4) Listing Content:
  - a. "Listing Content" means all photographs, images, graphics, video recordings, virtual tours, drawings, written descriptions, remarks, narratives, pricing information, and other copyrightable elements relating to the Property. "Owner Listing Content" means Listing Content provided by Owner to Manager or Manager's associates. "Broker Listing Content" means Listing Content that is otherwise obtained or produced by Broker or Broker's associates in connection with this agreement.
  - b. Owner grants Manager a non-exclusive, irrevocable, worldwide, royalty-free license to use, sublicense through multiple tiers, publish, display, and reproduce the Owner Listing Content, to prepare derivative works of the Owner Listing Content, and to distribute the Owner Listing Content, including any derivative works of the Owner Listing Content. This Section 4.F.4.b survives termination of this agreement.
  - c. All Broker Listing Content is owned exclusively by Broker, and Owner has no right, title or interest in or to any Broker Listing Content.
  - d. Owner understands and agrees that both the Owner Listing Content and Broker Listing Content, including any changes to such content, may be filed with the MLS, included in

compilations of listings, and otherwise distributed, publicly displayed and reproduced.

**G. Performance Standard:** Manager will:

- 1) use reasonable care when exercising Manager's authority and performing under this agreement; and
- 2) exercise discretion when performing under this agreement in a manner that Manager believes to be in Owner's interest, provided that Manager will treat any tenant honestly and fairly.

**H. Foreclosure:** If Manager receives notice of the Owner's delinquency in the payment of: (1) any mortgage or other encumbrance secured by the Property; (2) property taxes; (3) property insurance; or (4) owners' association fees, Manager may give Owner 15 days to cure the delinquency during which period Owner authorizes Manager to freeze any funds held by Manager and no disbursements will be made to Owner related to this agreement or the Property. If after the 15-day period, the delinquency is not cured, and the foreclosure process is initiated, Owner authorizes Manager to deduct from any other funds being held by Manager for Owner any remaining Broker Fees or funds due to Manager related to services performed under this agreement. Additionally, Owner authorizes Manager to return any security deposit being held by Manager to a tenant of the Property in addition to any prorated amount of rent being held by Manager and Manager may terminate this agreement. This Section does not preclude the Manager from seeking any other remedies under this agreement or at law that may be available to the Manager.

**5. LEGAL COMPLIANCE:** The parties will comply with all obligations, duties, and responsibilities under the Indiana Property Code, fair housing laws, and any other statute, administrative rule, ordinance, or restrictive covenant applicable to the use, leasing, management, or care of the Property.

**6. RESERVES:** Upon execution of this agreement, Owner agrees the greater of the following amount will be held in a trust account as a reserve for Owner: \$500 per single family home, \$700 for a two unit building, or \$250 for each unit in a multi-family property being managed. Manager may, at Manager's discretion, use the reserve to pay any expense related to the leasing and management of the Property(s) (including but not limited to Broker's fees). If the balance of the reserve becomes less than the amount stated, at any time, Manager may: (a) deduct an amount that will bring the balance to the amount stated from any subsequent rent received on behalf of Owner and deposit the amount into the reserve; or (b) notify Owner that Owner must promptly deposit additional funds with Manager to bring the balance to the amount stated. (c) Owner authorizes Manager to auto-draft funds from a linked bank account or credit card to pay bills due and to replenish funds up to the reserve amount.

**7. ADVANCES:** Owner will, in advance, provide Manager all funds necessary for the leasing and management of the Property. Manager is not obligated to advance any money to Owner or to any other person. At the sole discretion of the Manager, advances may be available to the Owner. Any advances would be subject to a 15% one-time processing fee for cash advance services.

**8. OWNER'S REPRESENTATIONS:**

**A. General:**

- 1) Except as disclosed within this agreement, Owner represents that:
  - a. Owner has fee simple title to and peaceable possession of the Property and all its improvements and fixtures, unless rented, and the legal capacity to lease the Property;
  - b. Owner is not bound by: (i) another agreement with another broker for the sale, exchange,

lease, or management of the Property that is or will be in effect during this agreement; or (ii) an agreement or covenant that prohibits owner from leasing the property;

- c. no person or entity has any right to purchase, lease, or acquire the Property by an option, right of refusal, or other agreement;
- d. Owner is not delinquent in the payment of any property taxes, owners' association fees, property insurance, mortgage, or any encumbrance on or affecting the Property;
- e. the Property is not subject to the jurisdiction of any court;
- f. the optional user fees for the use of common areas (for example, pool or tennis courts) in the Property's subdivision will be promptly delivered, in writing, to the manager.
- g. all information related to the Property that Owner provides to Manager is true and correct to the best of Owner's knowledge; and
- h. the Owner Listing Content, and the license granted to Broker for the Owner Listing Content, do not violate or infringe upon the rights, including any copyright rights, of any person or entity.

- 2) Manager may disclose to a tenant or to a prospective tenant any information related to the representations made in this Section 8.

**B. Property Condition:** Owner and Manager are obligated under law to disclose to a tenant or to a prospective tenant any known condition that materially and adversely affects the health or safety of an ordinary tenant. Owner is obligated under the Property Code to repair any such condition for a tenant. Owner represents that:

- 1) any pool or spa and any required enclosures, fences, gates, and latches comply with all applicable laws and ordinances; and
- 2) Owner is not aware of a condition concerning the Property that materially affects the health or safety of an ordinary tenant, except as stated below, in this agreement, or in any addendum:

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**C. Lead-Based Paint:** If the Property was built before 1978, Owner will complete and attach to this agreement an addendum regarding lead-based paint and lead-based paint hazards that will be made part of any lease of the Property. If the Property was built before 1978, federal law requires the Owner (before a tenant is obligated under a lease) to: (1) provide the tenant with the federally approved pamphlet on lead poisoning prevention; (2) disclose the presence of any known lead-based paint or hazards in the Property; and (3) deliver all records and reports to the tenant related to such paint or hazards.

**9. OWNER'S COOPERATION:** Owner agrees to:

- A. cooperate with Manager to facilitate the showing, marketing, and lease of the Property;
- B. not rent or lease the Property to anyone without Manager's prior written approval;
- C. not negotiate with any prospective tenant who might contact Owner directly, but refer all prospective tenants to Manager;
- D. not deal with or negotiate with any tenant in the Property concerning any matter related to the management or leasing of the Property but refer all such dealings to Manager;
- E. not enter into a listing agreement or property management agreement with another broker for the rental, leasing, or management of the Property to become effective during this agreement;
- F. provide Manager with copies of any existing leases or rental agreements related to the Property;
- G. provide Manager with keys and access devices to the Property;
- H. provide Manager with copies of all warranties related to the Property or any item in the Property;

- I. tender to Manager any security deposits paid by any existing tenants in the Property;
- J. complete any disclosures or notices required by law or a lease of the Property;
- K. amend applicable notices and disclosures if any material change occurs during this agreement; and
- L. notify Manager if Owner becomes delinquent in the payment of: (1) any mortgage or other encumbrance secured by the Property; (2) property taxes; (3) property insurance; or (4) owners' association fees.

**10. INSURANCE:**

- A. At all times during this agreement, Owner must maintain in effect:
  - 1) a public liability insurance policy that names Manager as a co-insured or additional insured and covers losses related to the Property in an amount of not less than \$300,000 for single family homes, \$600,000 for 2 to 4 unit properties, and \$1,000,000 for commercial buildings, per occurrence basis; and
  - 2) an insurance policy for the Property in an amount equal to the reasonable replacement cost of the Property's improvements and that contains endorsements which contemplate the leasing of the Property with vacancies between lease terms.
  - 3) Owner will name PMI Indianapolis as an additional insured on their general liability policy.
- B. Not later than the 15th day after the Commencement Date, Owner must deliver to Manager copies of certificates of insurance evidencing the coverage required under Section 10.A. If the coverage changes at any time during this agreement, Owner must deliver to Manager a copy of the insurance certificate evidencing the change not later than 10 days after the change.
- C. If Owner fails to comply with Sections 10.A or 10.B, Manager may:
  - 1) purchase insurance that will provide Manager the same coverage as the required insurance under Section 10.A.1 and Owner must promptly reimburse Manager for such expense; or
  - 2) exercise Manager's remedies under Section 16.

**11. MANAGER'S FEES:** This Section 11 survives termination or expiration of this agreement regarding fees earned during this agreement which are not payable until after its termination. Manager may deduct any fees under this Section 11 from any funds Manager holds in trust for Owner. **If more than one property or unit is made part of and subject to this agreement, each of the provisions below will apply to each property or unit separately.**

- A. Startup costs: Owner will pay Manager \$ \_\_\_\_\_ as a startup and property onboarding fee.
- B. Management Fees: Each month Owner will pay Manager the greater of \$50 per unit (minimum management fee) or:
  - 1) \_\_\_\_\_ % of the gross monthly revenue collected
  - 2) \$ \_\_\_\_\_ per month flat fee

\*Monthly management fees are calculated on a calendar basis, using the greater of the minimum management fee, or a percentage of gross monthly revenue collected. Minimum management fees are charged on the first of the month. Minimum management fees are also charged during any month of vacancy.

- C. Leasing Fees for New Tenancies: Each time the Property is leased to a new tenant, Owner will pay

Manager a leasing fee equal to:

- 1) \_\_\_\_\_ % of one full month's rent to be paid under the lease.
  - a. Minimum Leasing Fee is \$500

The leasing fees under this Section 11.C are earned and payable at the time the lease is executed.

- D. Renewal or Extension Fees: Each time a tenant in the Property renews or extends a lease, Owner will pay Manager a renewal or extension fee equal to \$195 per executed renewal or extension.

The renewal or extension fees under this Section 11.D are earned and payable at the time the renewal or extension is executed. For the purposes of this Section, a new lease for the same Property with the same tenant then occupying the Property is an extension or renewal. This Section 11.D does not apply to month-to-month renewals or month-to-month extensions.

- E. Service Fees: Each time Manager arranges for the Property to be repaired, maintained, redecorated, or altered as permitted by this agreement, Owner will pay Manager as a service fee equal to 10% of the total cost of each repair, maintenance, alternation, or redecoration.

The service fees under this Section 11.E are earned at the time the repair, maintenance, redecoration, or alteration is made and are payable upon Owner's receipt of Manager's invoice.

- F. Fees Related to Insurance and Legal Matters:

- 1) If Owner requests or instructs Manager to appear in any legal proceeding or deposition related to the Property (including, but not limited to, evictions, tenant disputes, security deposit disputes, and suits for damages), Owner will pay Manager \$200 per appearance for Manager's time expended in such matters and in preparation of such matters. Fees under this Section 11.F are earned at the time the services are rendered and payable upon Owner's receipt of Manager's invoice.

- G. Fees in the Event of a Sale (Brokerage Services):

- 1) Fee if a Tenant Purchases Property: If Owner sells the Property to a tenant who occupied the Property during the term of this agreement not later than the time the tenant vacates the Property, Owner will pay Manager a fee equal to 4% of the sales price. Minimum Broker fee is \$1000.
- 2) Fee if Buyer is Procured through Broker: If during this agreement, Owner agrees to sell the Property to a person other than a tenant who occupied the Property and Broker procures the buyer, directly or through another broker, Owner will pay Broker a fee of 5.5% of the sales price. Minimum Broker fee is \$1500

Fees under this Section 11.G.1 and 11.G.2 are earned at the time Owner agrees to sell the Property and are payable at the time the sale closes. Broker will waive any fees due under Section 12 at the time the sale closes.

- 3) Sale Coordination Fees: If at any time during this agreement Owner agrees to sell the Property and Broker is not paid a fee under Section 11.G.1 or 11.G.2, Owner will pay

Broker \$500 for Broker's time and services to coordinate showings, inspections, appraisals, repairs, and other related matters. Fees under this Section 11.G.3 are earned at the time such services are rendered and payable upon Owner's receipt of Broker's invoice.

- 4) Definition: "Sell" means to agree to sell, convey, transfer or exchange any interest in the Property whether by oral or written agreement or option.
- 5) **Separate Listing Agreement Controls**: If Owner sells the Property and pays Broker the fee under a separate written listing agreement between Owner and Broker: (a) this Section 11.G will not apply.

**12. FEES UPON TERMINATION:** At the time this agreement ends, Owner must pay Manager all amounts due Manager under this agreement. If more than one property or unit is made part of and subject to this agreement, this Section applies only to those properties or units then leased and applies to each property or unit separately.

- A. All current lease balances will be resolved by using a "balance forward" on the tenant ledger. Owner or Owner's designee then has responsibility for collecting the discount amount from the tenant after the termination of this agreement. All fees owed manager on discounted amount will be reflected on the final statement.
- B. If this agreement is terminated within 12 months of the "Contract Start Date", a \$500 termination fee shall apply.
- C. All leases fully executed by the manager shall incur management fees under Section 12 of this contract, through the end date of the fully executed lease agreement.

**13. FUNDS RECEIVED AFTER TERMINATION:** Except as provided in Section 4, if Manager receives any funds on behalf of Owner after this agreement ends (for example, rent, damages, past due amounts, and others), Manager will deposit those funds in Manager's trust account and will: (a) pay 30% of the funds received to Manager as compensation for services (for example, research, accounting, communicating, and processing) rendered at that time; and (b) pay the balance of the funds to Owner. This provision survives termination of this agreement.

**14. SERVICES TO BE PERFORMED BY MANAGER**

- A. Manager, on a best effort basis, shall attempt to make owner payments ("Owner Draws") to Owner by the 10th business day of each month, when Owner's account has clear and available funds.

**15. LIABILITY AND INDEMNIFICATION:**

- A. Manger 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:
  - 1) other brokers, their associates, inspectors, appraisers, and contractors who are authorized to access the Property;
  - 2) acts of third parties (for example, vandalism, theft, or other criminal acts);
  - 3) freezing or leaking water pipes;
  - 4) failure to properly water the foundation of the Property;
  - 5) a dangerous condition or environmental condition on the Property; or
  - 6) the Property's non-compliance with any law or ordinance.

- B. Manager is not responsible or liable in any manner for:
  - 1) any late fees or other charges Owner incurs to any creditor caused by late or insufficient payments by any tenant in the Property; or
  - 2) damages to Owner caused by a tenant's breach of a lease.
- C. Owner agrees to protect, defend, indemnify, and hold Manager harmless from 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 any material or relevant information about the Property;
  - 3) are caused by Owner giving incorrect information to any person; or
  - 4) are related to the management of the Property and are not caused by Manager, negligently or otherwise.
- D. Owner is responsible and liable for all contracts and obligations related to the Property (for example, maintenance, service, repair and utility agreements) entered into before or during this agreement by Owner or by Manager under Manager's authority under this agreement. Owner agrees to hold Manager harmless from all claims related to any such contracts.

**16. DEFAULT:** A party is in default if the party fails to cure a breach within 10 days after receipt of written demand from the other party. If either party is in default, the non-defaulting party may: (a) terminate this agreement by providing at least 10 days written notice; (b) recover all amounts due to the non-defaulting party under this agreement; (c) recover reasonable collection costs and attorney's fees; and (d) exercise any other remedy available at law. Manager is also entitled to recover any compensation Manager would have been entitled to receive if Owner did not breach this agreement.

**17. PREMIUM MANAGEMENT SERVICES**

**A. Eviction Guarantee with Eviction Protection** – Owner may elect to subscribe to the Eviction Protection Guarantee (EPG). If Owner subscribes to the EPG, Manager shall be responsible for the eviction process and costs, or fees, associated with said eviction process. Cost of Eviction Guarantee is \$25 per unit per month for portfolios of 1-4 units, and \$12 per month per unit for portfolios of 5 or more units. Existing Tenants with leases who are not screened and placed by PMI are not eligible for the Eviction Guarantee. Eviction Guarantee does not cover lost rent, move out costs, or damage to the property.

Owner can subscribe to Enhanced Eviction Protection, which covers existing tenants under the same EPG stated above after 2 months of rent payments. Cost of adding an existing tenant is a one time, flat rate of \$95 per unit, in addition to monthly EPG costs. By checking the appropriate box below, Owner subscribes to the Enhanced Eviction Protection and agrees to pay the applicable fee during the Term of this Agreement. Payment for said service shall be due monthly in addition to the Management Fee.

**Eviction Guarantee with Eviction Protection**

- Yes, enroll me in the Enhanced Eviction Guarantee with Eviction Protection
  - 1-4 Units = \$25 per unit per month
  - 5+ Units = \$12 per unit per month
  - Existing Tenants = \$95
- No, do not enroll me in the Eviction Protection Program.

**B. Pet Guarantee** – If an approved Pet does damage to a unit beyond the security deposit, PMI will cover the pet damage up to \$1000. PMI charges a pet fee that is retained by the management company to cover the expenses related with this guarantee.

- Accept Pets under PMI's Pet Policy, and Enroll in the Pet Guarantee. No cost to owner for this program.
- Accept Pets under PMI's Pet Policy, and Enroll in the Pet Guarantee. Expand my coverage amount to \$4000 for an additional \$9 per month.
- Do not allow pets (not recommended)

**18. USE OF PREFERRED THIRD-PARTY VENDORS** – Owner-preferred third-party vendors must be licensed, bonded and insured and all proper documents (License #, Certification and proof of insurance over \$1,000,000.00) must be provided to Manager and must complete a vendor onboarding package including a vendor agreement and W-9 in order to utilize Owner's third-party vendors. If proper documents listed above are not provided, Owner waives right to use their preferred vendor until proper documents have been provided.

**19. RENTAL PROPERTY CODE WORK –**

- A.** All properties managed by Manager will, at all times, be kept up to all Rental Property Codes (Local, State & National Codes). If at any time during this agreement Manager finds that the home is not up to current code, Manager will ensure the home is brought up to code and charge the owner, without notice. If the code violation is caused by the tenants, Manager will then attempt to reimburse the owner from funds received from the causing tenant.
- B.** Smoke alarms will be replaced at Owner's expense once they have reached a date of 8 years past the year of manufacture.
- C.** Smoke alarm batteries are also replaced at different times during the management of the property. If a smoke alarm is found to have a non-functioning battery it will be replaced and charged to the Owner, without notice. If the battery replacement is caused by the tenant or neglect, Manager will then attempt to reimburse the Owner from funds received from the causing tenant.
- D.** The Property Code requires the Property to be equipped with certain types of locks and security devices, including (with some exceptions): (1) window latches on each window; (2) a keyed doorknob lock or keyed deadbolt lock on each exterior door; and (3) a sliding door pin lock on each exterior sliding glass door of the dwelling. The Property Code also requires smoke alarms in certain locations. The Property Code requires the security devices to be rekeyed and the smoke alarms to be tested each time a new tenant occupy the Property.
- E.** These charges for code work can come up at many different times during a tenant's lease and during the management agreement. Most of the code work is completed during the rekeying of the property for a new tenant but smoke alarm expirations will be found, during move-in evaluations, move-out evaluations, periodic property reviews during the tenant's lease & when damage occurs to an exterior door on the property.
- F.** Code work is a form of maintenance work that CAN NOT be delegated to a preferred vendor of the Owner. Manager will complete the necessary code work even if the owner wants to use a preferred third-party vendor for their maintenance work or if the Owner completes maintenance work on their own. Code work is also work that will be done without notice if an Owner prefers to be notified before any maintenance work is completed on their property.
- G.** Homes that are tenant occupied when management services are started, will be rekeyed into the Manager's key system, a review scheduled, and any code work needed will be addressed. Rekeying and Code work will be completed at owner's expense. A typical work order for setting all locks to the PMI keying system is between \$150 (one door) and \$450 (three doors).
- H.** If the current Tenants Security Deposit and/or Owners Reserve is not submitted to Manager before the first month's rent is collected. The owner proceeds from that month will be applied to those outstanding

deposits.

- 20. FAIR HOUSING** – Owner understands that state and federal housing laws prohibit discrimination in the sale or rental of housing on the basis of race, color, religion, sex, marital status, sexual orientation, national origin, ancestry, and familial status, source of income, age, sexual orientation, gender identity, and mental or physical disability. Property Management Inc. abides by the letter and intent of these laws.
- 21. MUTUAL NON DISPARAGEMENT CLAUSE** - The parties to this agreement mutually agree and covenant not to disparage one-another by publishing to any third-party, verbally or in writing, derogatory statements, “reviews,” comments or remarks that are, or could reasonably be construed as being, injurious to the other’s business, reputation or property and/or which are false, or would tend to cast a false or negative light on the other, including without limitation, statements of opinion, comparison or evaluation. Without first notifying the other party and attempting to resolve the issue or concern.
- 22. ATTORNEY'S FEES:** If Owner or Manager is a prevailing party in any legal proceeding brought as a result of a dispute under this agreement or any transaction related to or contemplated by this agreement, such party will be entitled to recover from the non-prevailing party all costs of such proceeding and reasonable attorney's fees.
- 23. ASSIGNMENT** - This Agreement may be assigned by the Manager without the prior written consent of the Owner.

**24. SPECIAL PROVISIONS:**

- 25. ADDENDA:** Incorporated into this agreement are the following addenda, exhibits, and other information:

- Multiple Property Addendum
- IRS Form W-9
- Addendum Regarding Lead-based Paint
- Payment Option form
- Information about brokerage services
- Information about maintenance services
- General information regarding assistance animals
- Owner’s authorization concerning unescorted access to property
- Owner’s Manual

**26. AGREEMENT OF PARTIES:**

- A. Entire Agreement:** This document contains the entire agreement of the parties and may not be changed except by written agreement.
- B. Binding Effect:** Owner's obligation to pay Manager an earned fee is binding upon Owner and Owner's heirs, administrators, executors, successors, and permitted assignees.
- C. Joint and Several:** All Owners executing this agreement are jointly and severally liable for the performance of all its terms. Any act or notice to, refund to, or signature of, any one or more of the Owners regarding any term of this agreement, its extension, its renewal, or its termination is binding on all Owners executing this agreement.

- D. Governing Law: State law governs the interpretation, validity, performance, and enforcement of this agreement.
- E. Severability: If a court finds any clause in this agreement invalid or unenforceable, the remainder of this agreement will not be affected, and all other provisions of this agreement will remain valid and enforceable.
- F. Notices: Notices between the parties must be in writing and are effective when sent to the receiving party's address or e-mail address specified in Section 1.

**27. INFORMATION:**

- A. Manager's fees or the sharing of fees between brokers are not fixed, controlled, recommended, suggested, or maintained by the Association of REALTORS®, MLS, or any listing service.
- B. In accordance with Fair Housing laws and the National Association of REALTORS® Code of Ethics, Broker'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. Local ordinances may provide for additional protected classes (for example, creed, status as a student, marital status, or age).
- C. Owner may review the information Manager submits to an MLS or other listing service.
- D. Manager advises Owner to remove or secure jewelry, prescription drugs, and other valuables.
- E. Manager advises Owner to refrain from transmitting personal information, such as bank account numbers or other financial information, via unsecured email or other electronic communication to reduce risk of wire fraud.
- F. Broker cannot give legal advice. **READ THIS AGREEMENT CAREFULLY.** If you do not understand the effect of this agreement, consult an attorney **BEFORE** signing.

## SIGNATURES PAGE

**Manager / Broker:**

Printed Name:

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Signature:

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Date:

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License #:

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**Owner:**

Printed Name:

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Signature:

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Date:

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% Ownership :

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**Owner:**

Printed Name:

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Signature:

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Date:

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% Ownership

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**Owner:**

Printed Name:

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Signature:

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Date:

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% Ownership :

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