

VISTA POINT PROPERTIES
PROPERTY MANAGEMENT AGREEMENT

This Property Management Agreement (hereafter referred to as "Agreement"), dated, **10/20/2020** is entered into and between **Vista Point Properties** (hereafter referred to as "Manager") and _____ (Hereafter referred to as "Owner").

1. **AGENCY:** The Owner employs and appoints the Manager as the sole and exclusive agent to rent, lease and manage, pursuant to the terms and conditions contained herein, the Property or Properties located at:

(Collectively hereafter referred to as "Property").

2. **TERM:** This Agreement shall begin on _____ and shall end on _____ unless otherwise cancelled or terminated as provided herein. This Agreement shall automatically renew for a consecutive 120 months unless otherwise cancelled or terminated as provided for herein. Manager shall send Owner a reminder notice at least 30 days prior to the renewal date. This Agreement shall be immediately and automatically terminated by: (a) the sale, transfer or other disposition of legal title to the Property, except for a transfer of the Property to a trust or other legal entity that Owner has an interest in; (b) condemnation of Property or (c) complete destruction of Property.

3. **CANCELLATION:** Either party may cancel this Agreement upon a 30 day notice provided such Cancellation occurs on the last day of a calendar month. Manager may cancel this Agreement immediately by notice to Owner in the event that: (a) a notice of trustee's sale or judicial foreclosure is recorded against the Property; (b) Owner fails to comply with any rule, order, code, ordinance of law of any governmental authority or any Association; (b) Owner refuses to correct a hazardous condition on the Property. Upon cancellation of this Agreement, Owner shall assume all contractual obligations and payment of all outstanding amounts due pertaining to the Property or arising from this Agreement. Manager may withhold funds as permitted by law to pay any amounts due, expenses previously incurred but not yet invoiced and to close accounts. Manager shall deliver to Owner the balance of any monies due Owner, held by Manager, as well as a final accounting reflecting the balance of income and expenses as required by law.

4. **MANAGER'S AUTHORITY:** The Owner hereby gives to the Manager the following authority and powers and agrees to assume the expenses in connection herewith.

(a) Advertising: Advertise the availability of the Property for rent, display for rent signs if permitted by the applicable rules and regulations or governing homeowner's association, install a key safe on the Property containing a key to the Property allowing access to the Property, not only to the Manager, but to any member of the Tucson Association of Realtors®/Multiple Listing Service, Inc., together with or without potential tenants, even when Owner/Manager is not present. Owner further acknowledges that, from time to time, unauthorized persons may have gained access to properties using lockboxes, and Manager is not insuring Owner or any occupant against theft, loss or vandalism resulting from any access.

(b) Agreements: Negotiate, prepare and execute rental agreements, amendments and rental terminations. Enforce the terms and conditions of rental agreements. Collect rents when due and institute legal proceedings, at the expense of the Owner, to collect unpaid or delinquent rents or other amounts due and payable with respect to the Property. Institute, settle and compromise legal proceedings, at the expense of Owner, as deemed necessary and appropriate by Manager with respect to the dispossession of tenants or other persons unlawfully in possession of Property. Compromise or release legal actions or suits and reinstate tenancy.

Owner's initials: _____

(c) Repairs: Arrange all necessary alterations, repairs, replacement, maintenance, improvements and decorations necessary to maintain the Property in rentable condition at the expense of the Owner. The Owner understands and agrees that all funds and fees required to make the property in a rentable condition shall be paid in advance of starting any maintenance or repair work. Manager agrees to secure the prior approval of the Owner for all expenditures, in excess of **\$500.00** for any one item, except monthly or recurring operating charges and/or for emergency repairs in excess of the maximum amount if in the opinion of the Manager such repairs are necessary to protect the Property from damage, Tenant or third party from harm or to maintain services to the Tenant as required by the rental agreement or by Homeowners Association, local, state, federal laws and/or the Arizona Residential Landlord Tenant Act. Manager shall not, under any circumstance, advance any monies for the care or management of the Property.

(d) Employment: Contract for, supervise and terminate all individuals for the cleaning, maintenance and repair of Property. All of these costs are to be charged to and paid from the Owners account. The Manager agrees to use reasonable care in the selection, supervision and retention of the individuals, but the Manager is not responsible for their acts, defaults or negligence.

(e) Service Contracts: Make contracts, as needed, for electricity, gas, water, trash service, telephone, pest extermination, lawn and gardening service, pool and spa service and any other service the Manager deems necessary to manage the Property.

(f) Assignment of Rents: Owner assigns to Manager, all rents and other funds collected for the Property, for the purpose of paying all expenses incurred by the Manager in managing and maintaining the Property and any other expense authorized by the terms of this Agreement.

(g) Transfer of Funds: If Owner owns more than one property under this agreement, the Manager is authorized to transfer funds from the other Properties if necessary to pay any and all past due and current expenses and management fees.

5. MANAGERS RESPONSIBILITIES:

(a) Property Management Trust Account(s): Manager shall deposit all Property rents, miscellaneous income, tenant security deposits and Owner's reserve funds, if applicable, into Manager's Property Management Trust Account(s), which shall be maintained as required by law. Such accounts may earn interest, which shall be paid to Manager as additional compensation for Manager's services.

(b) Tenant Performance: Manager shall make reasonable efforts to screen potential tenant(s) and to collect rents, but does not guarantee future performance of tenant(s) and is not obligated to refund to Owner any compensation or commissions in the event of tenant breach.

(c) Reports: Manager shall provide monthly reports to Owner with an accounting of all funds collected and/or disbursed on the Owner's behalf.

(d) Disbursements: Manager shall disburse to Owner by the 20th day of the month or the first business day thereafter, rent, and other funds due and collected, after deducting all fees, bills or other amounts due, Manager compensation, commissions, and other operating expenses and funds required to maintain the reserve account, if applicable.

(d) Rental Rates: The Manager will attempt to rent the Property at the highest monthly market rental rate. Due to fluctuations in the rental market, the Manager shall have the final decision as to the monthly rental rates to minimize vacant periods.

Owner's initials: _____

(e) Security Deposits: Manager shall hold all refundable security deposits in trust account until tenant vacates the Property or until this Agreement terminates. Should any tenant vacate during the terms of this Agreement, Manager shall inspect the Property and refund any portion of such refundable deposits to tenant as required by law. If this Agreement is canceled or terminated for any reason other than a trustee's sale, judicial foreclosure or other forfeiture by Owner, any refundable security deposits will be forwarded to the Owner after notice has been given to the tenant as required by law. If this Agreement is terminated due to a trustee's sale, judicial foreclosure or other forfeiture by Owner, any refundable tenant deposits shall be released to tenant.

(f) Tax Reporting: Manager shall report Owner income as required by law and issue Owner an IRS 1099 Miscellaneous Income form for all funds received for tax purposes. Owner agrees to complete a W-9 or other applicable income reporting form with an accurate Social Security Number or Tax Identification Number and address, in addition to any other requested information or required tax reporting form, and to notify Manager if changes require the information to be updated.

6. OWNER REPRESENTATIONS AND RESPONSIBILITIES:

(a) Owner Representation: Owner represents that Owner has the legal authority to lease the Property, no other real estate broker represents Owner in connection with the Property, and there is no pending sale, exchange, transfer, foreclosure, bankruptcy or other proceeding that could affect the ability to lease the Property. Owner shall immediately notify Manager of any changes in these representations.

(b) Statutory Agent: Owner agrees that they shall register the Property with the state of Arizona Assessor's office and out of state Owners' shall designate and record with the assessor a statutory agent who lives in Arizona who will accept legal service on behalf of the Owner pursuant to A.R.S. 33-1901/1902. Owner understands that civil fines may be imposed for failure to comply with this statute. Information regarding this can be found on the Pima County Assessors' website (www.asr.pima.gov).

(c) Insurance: Owner shall, at Owner's expense, maintain adequate Property insurance, public liability insurance and any other necessary insurance on the Property, in an adequate amount to protect the interests of Owner and Manager. Owner shall name Manager as co-insured on all insurance policies covering the Property and shall provide Manager with Certificates of Insurance or copies of the policies upon request by Manager. Such insurance shall remain in full force and effect during the term of this Agreement and any renewals thereof.

(d) Lead-Based Paint: Owner shall comply with all lead-based paint laws. If Property was built prior to 1978, Owner shall notify Manager of any known lead-based paint or lead-based paint hazards and provide Manager with any lead-based paint risk assessments or inspections of the Property.

(e) Swimming Pools: Owner, at Owner's expense, shall comply with all state, county and municipal swimming pool barrier laws or regulations prior to the Property being occupied.

(f) Documentation: Owner shall provide to Manager copies of all relevant documents pertaining to the Property, including but not limited to; covenants, conditions and restrictions (CC&R's), homeowners association governing documents, service contracts, leases/rental agreements, notices of pending special assessments, association fees, claims or litigation, personal property lists and any other agreements, documents, studies or reports relating to the Property.

(g) Responsibility to Tenant: Owner shall fulfill all Owners' obligations to tenant pursuant to the lease/rental agreement and as required by law.

(h) Authorized Access: Owner shall not visit Property or contact tenant without 5 business days prior notice to Manager to allow Manager sufficient time to provide tenant with any legally required notice. Owner shall not enter Property unless accompanied by Manager.

Owner's initials: _____

(i) Inquiries/Negotiations: Owner shall refer all inquiries regarding the Property, including inquiries regarding lease or lease renewals, to Manager and all negotiations regarding the Property shall be conducted solely by or under the direction of Manager.

(j) Reserve Funds: Manager shall require Owner to maintain a minimum operating reserve of **\$250.00** for anticipated repairs, cleaning and maintenance or to meet any obligation in the event of a shortage of current rental income or emergencies. Manager, in Manager's sole discretion, may, but shall not be obligated to, advance Manager funds on behalf of Owner. Owner shall immediately reimburse Manager for all advanced funds and remit any funds necessary to maintain reserve account. Manager shall not make any payments for mortgages, real estate taxes or property insurance.

(k) Legal and Tax Advice: Owner recognizes, acknowledges and agrees that Manager is not qualified or licensed to provide legal or tax advice. Only an attorney is qualified to represent the Owner in court. Owner shall consult with an attorney, professional tax consultant, or other qualified licensed professional to advise Owner with respect to legal or tax issues.

7. MANAGERS FEES & CHARGES: The Owner agrees to pay the Manager the following fees and charges.

(a) Management Fee: Management fee shall be **\$99.00** monthly on each Property that is currently receiving monthly rent.

(b) Leasing Fee: Owner shall pay Manager **50%** of the monthly rental rate for any new lease of 6 month's or greater during the term of this Agreement and shall be paid to Manager upon receipt of first month's rent. Owner authorizes Manager to divide such compensation with other Real Estate Brokers in any manner acceptable to the Manager.

(c) Renewal Fee: Owner shall pay Manager a **\$250.00** fee to process all lease renewals of 6 month's or greater during the term of this Agreement.

(d) Insurance Coordination Fee: Owner shall pay Manager to Coordinate any insurance claim on the Property an amount t equal to **5%** of the total claim.

(e) Third Party Fees: Owner agrees that Manager shall have the right to charge and collect fees from tenant(s) for services not included herein and Manager shall retain such fees as additional compensation for services. Such fees shall include but not limited to Late Fees, NSF Fees, Notice Fees, Certified Letter Fees, Application Fees, Postage Fees etc.

8. EQUAL HOUSING OPPORTUNITY: Manager and Owner shall comply with all federal, state and local fair housing laws and regulations.

9. RELEASE OF BROKER: Owner hereby expressly releases, hold harmless and indemnifies Manager from any and all claims, liability or legal action arising from the management of the Property, including liability from any injury suffered by an employee or other person on the Property in connection with any trustee's sale or judicial foreclosure of the Property or in connection with prior management of the Property and/or deposits not released to Manager. Owners agrees to promptly and diligently defend, at Owner's sole expense, any claim, legal action or other proceeding brought against Manager arising from the management of the Property, except in the case of Manager's willful misconduct and/or gross negligence. Owner agrees to reimburse Manager for any monies which the Manager expends in connection with, or in defense of, any claim, civil or criminal action proceeding, charge or prosecution made, instituted, or maintained against Manager, or Owner and Manager jointly or severally.

10. ATTORNEY FEES AND COSTS: The prevailing party in any dispute or claim arising out of or relating to this Agreement shall be awarded their reasonable attorney fees and costs. Costs shall include, without limitation; attorney fees, expert witness fees, fees paid to investigators and arbitration costs.

Owner's initials: _____

11. **ASSIGNMENT:** Neither Manager or Owner may assign any rights or obligations pursuant to this Agreement without the prior written consent of the other, and any attempted assignment without written consent shall be void and of no effect.

12. **OTHER OWNER'S:** Owner acknowledges that Manager may now or in the future represent other owners and tenants of other similar properties.

13. **ARIZONA LAW:** This Agreement shall be governed by Arizona law and jurisdiction.

14. **AGREED:**

Owner Signature _____ Date _____

Owner Signature _____ Date _____

Authorized Signature _____ Date _____

SAMPLE

File No: _____ Designated Broker Initials: _____ Date: _____
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