

Ahwatukee Realty & Property Management

Property Management Agreement

Date _____

Contract # _____

Parcel # 07- _____

This Agreement made and entered into the _____ day of _____, 200__ by and between _____ herein after referred to as owner and Ahwatukee Realty & Property Management herein after referred to as broker concerning the exclusive right to rent, lease, operate, and manage the property known as _____ Herein after referred to as "property"/

- A. The term of this agreement shall commence on _____, 200__ at _____ and terminate on _____, 200__ at 12:00 p.m. Owner or broker is free to terminate the Agreement upon a thirty (30) day written notice to the other party.
- B. Broker agrees and owner authorizes broker to perform the following acts in the name of broker or owner and owner agrees to assume all expenses and obligations in connection therewith (except as otherwise provided herein):
 1. To use diligence in the management of the property and agrees to furnish the service of his/its organization for the renting, leasing, operating and managing of the herein-described property.
 2. To advertise the availability for rental of the herein described property or any part thereof; to display "for Rent" signs therein; to establish the terms of, sign, renew and/or cancel leases for the property or any part thereof; to determine, set and negotiate rents, (which shall not be less than \$_____ per month plus applicable rent tax without owners approval) deposits, discounts and refurbishing fee; to collect rents due or to become due or monthly assessments and give receipts therefore; to terminate tenancies and to sign and serve in the name of the owner such notices as are appropriate; to reinstate and prosecute actions to hire, retain, consult, pay reimburse attorneys to evict tenants and to recover possession of said property; to sue for in the name of the owner and recover rents and other sums due, and when expedient reinstate such tenancies and to take any action which may be deemed appropriate for the purpose of asserting of preserving any rights against the tenant.
 3. To make or cause to be made and supervise repairs, alterations, replacements, and improvements to said property; to purchase supplies and pay bills therefore, all such that the property shall be in and remain in good, sound clean condition. The broker agrees to secure the prior approval of the owner on all expenditures in excess of \$_____ for any one item except monthly or recurring operating charges and/or are necessary repairs in excess of the maximum, if in the opinion of the broker such repairs are necessary to protect the property from damage or to maintain services to the tenants as required in their leases or by local, state or federal laws.
 4. To hire contract for, discharge, and supervise all labor and employees required for the operation and maintenance of the property; it being agreed that he broker may perform any of its duties through owner's attorneys, agents or employees and shall not be responsible for their acts, defaults, or negligence if reasonable care has been exercised in the appointment and retention

5. To make reasonable contracts for electricity, fuel, water, telephone, window cleaning, gas, waste or rubbish hauling, rental or replacement of furniture, appliances or equipment, vermin extermination, security or other services as broker shall deem necessary to assure the property shall be caused to be and remain in good sound, clean condition and property operation. The owner is to assume the obligation of any contract so entered at the termination of the Agreement.
6. To care for, place and supervise all property insurance coverage if instructed by owner.
7. To render monthly statements of funds in excess of the minimum reserve requirement to owner or his appointed agent, not later than the tenth day of each month. Broker may withhold a sum not to exceed \$_____ plus an amount equal to one month's debt service and regular reoccurring expenses as a reserve to meet obligations which may become due thereafter, for which current income may not be adequate and a sum equal to the tenants security deposit outlined in the rental agreement. In the event the disbursements shall be in excess of the rents collected by the broker the owner hereby agrees to pay such expenses promptly upon demand of the broker. Broker shall not be responsible to make any payment for which there are not sufficient funds in an owner's account. Unless otherwise specified owner disbursements will be sent to the mailing address of Owner listed on page 4.
8. To deposit all receipts collected for owner (less and sums properly deducted or otherwise provided herein) in Property Management Bank account in an institution qualified to engage in the banking business, separate from broker's personal account. However Broker will not be held liable in the event of bankruptcy or failure of the depository.
9. To account to the owner for all rebates and/or discounts that broker may receive on account of expenditure or contracts for the account of said property and all such rebates and/or discount shall accrue to the benefit of the owner

C. The Owner Agrees:

1. To Save the broker harmless from all damage suits in connection with the management of the described property and from liability from injury suffered by any employee or other person whomsoever, and to carry, at his own expense Public Liability Insurance adequate to protect the interest of the parties hereto, which policies shall be so written as to protect the broker in the same manner and to all the same extent they protect the owner and will name the broker as the co-insured.
2. It is understood and agreed that broker will be depositing owner's funds and tenants deposits from time into a trust savings account, unless otherwise specified. The interest therefrom will be the property of the broker and will be used by broker as additional compensation for his services. Broker will not be responsible to account for such interest to owner.
3. To compensate the Broker:
 - A. For Property Management 10% percent of monthly gross lease. (Minimum management fee \$80 per month).
 - B. Lease fee: (New tenants only: 5% percent of the gross lease payable from first month's lease and security deposits. Lease Renewal: \$75.00
 - C. In the event of the owner decides to sell said property to tenant during the term of this property management contract or any extension thereof, plus a period of 90 days from the expiration of said contract, the broker shall have the "Exclusive Right" To Sell" said property for the price and terms as determined by the owner. Owner agrees to pay the broker 5% sales commission of the gross sale price.
 - D. In the event owner shall desire to restore renovate modernize, or make other capital improvements, during the term of this property management agreement, the owner agrees to pay the broker a fee of 10% percent of the cost thereof.

E. Late changes if any collected by broker from tenants shall be considered compensation for broker's collection efforts and shall not affect the owner's reported income or expense _____

F. The Owner Further Instructs the Broker to disburse funds out of the rents collected from the property or from additional funds on deposit (II) the following items of expense other than normal operation expenses as indicated by initials below:

Owner/Broker	Subject Items	(I) Add'l Fees Per Item	(II) Add'l Owner Deposits
_____	Mortgage Payment 1 st	\$ _____	\$ _____
_____	Mortgage Payment 2 nd	\$ _____	\$ _____
_____	Property Taxes	\$ _____	\$ _____
_____	Payroll Taxes	\$ _____	\$ _____
_____	Insurance Premiums	\$ _____	\$ _____
_____	Long Distance Calls	\$ _____	\$ _____
_____	HOA Dues	\$ _____	\$ _____
_____	Other _____	\$ _____	\$ _____

G. This agreement is entered into by and between the owner and broker, and shall be binding upon the successors and assigns of the broker, and the heirs, executors, administrators, successors and assigns of the owner.

H. Broker Shall be deemed to be acting as an independent contractor.

I. Other terms and conditions of this shall be as follows: _____

In witness whereof, the parties hereto have affixed or caused to be affixed, their respective signatures this _____ day of _____ 200____.

Owner
 Signature _____ Social Security # _____
 Print Name _____
 Signature _____ Social Security # _____
 Print Name _____

Mailing Address
 _____ Telephone (Daytime) _____
 _____ Telephone (Evening) _____
 _____ Email: _____

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