

RECITALS/SUMMARY OF TERMS

Date:

Property Address(es) to be managed: See Exhibit "A" attached hereto (the "Property")

Owner Name:

Owner Address:

Email:

Phone:

Management Rate: Owner agrees to pay the Manager an amount equal to _____ % of all rents and utility income collected, as a fee for managing the property; which fees, plus any repair expenses, may be deducted by the Manager from rents, and further agrees to abide by the conditions set forth by the Manager to the tenant on the Owner's behalf. Management fees are paid at the time of the owner draw.

One Time Fee: A one time on-boarding fee of \$ _____ shall be due within 5-days of executing this agreement

Maintenance Limit: All routine repairs over \$ _____ require owner approval.

Water/Sewer: When able, a direct service agreement will be executed for water/sewer. In the instance it is not an option and water/sewer is not individually sub-metered, a flat rate fee will be charged directly to the tenant, to be paid at the time of rent. Routine water/sewer bill reconciliations will be completed and adjustments to tenant ledgers will be made accordingly.

Lawn Care/ Snow Removal: Snow removal is as-needed. Lawn care will be provided by Manager at market rate from March 15 to November 15 for any lawns that are not tenant maintained or inadequately maintained by tenants. Fees are applied to tenant ledgers to the extent possible to offset charges.

AGREEMENT

- I. **Parties-** This Property Management Agreement (the "Agreement") is made effective as of this ____ day of _____ 20 ____ (the "Effective Date"), and is entered into by and between _____ (the "Owner") and **REALIZE Property Management, LLC , an Ohio limited liability company** (the "Manager") (collectively the "Parties") with respect to property management services to be provided by Manager for the Property owned by Owner and as said Property is set forth in Exhibit "A" attached hereto.
- II. **Dates/Term-** Manager will begin the services under this Agreement. This Agreement shall remain in full force and effect and binding upon the Parties from the Effective Date until the Parties shall mutually agree **in writing** to terminate this Agreement. Notwithstanding the foregoing, either Party may cancel this Agreement at any time with a minimum of 30 days advance notice to the other Party. Owner funds and file will be closed out within 60-days of notice of cancellation, or sooner. During the term of this Agreement, Manager shall manage, operate, maintain, rent and/or lease, including but not limited to, collecting rental payments, security deposits and addressing any and all issues and/or matters with the tenant(s) with respect to the Property.

III. Responsibilities

The Owner hereby assigns the Manager as agent to handle the following responsibilities:

- ✓ **Leasing Units**
 - Advertisement and Legal Proceedings. Manager agrees to advertise for tenants, screen tenants and select tenants of suitable credit worthiness. Manager will set rents that in the opinion of the Manager at the time of the rent negotiations with the tenant, reflect the market conditions of that time and approximate rents of comparable rental properties, unless expressly instructed in writing by the Owner to the Manager to the contrary, as to the amount of the initial rent and any subsequent increases as may from time to time be appropriate. Manager agrees to rent and to lease the Property; to sign, renew and to cancel rental agreements and leases for the Property or any part thereof; to evict, to sue and recover for rent and for loss or damage to any part of the Property and/or furnishings thereof; and, when expedient, to compromise, settle and release any such legal proceedings or lawsuits.
 - Answer phone inquiries about vacancies
 - Show vacant units
 - Accept rental applications
 - Run credit checks
 - Select tenants
 - Accept rents and deposits
 - Negotiate rental leases
 - Sign leases and sign property condition checklist
 - Give required disclosure forms
 - Offer residents optional upgrades and payment plans
- ✓ **Property Turnover**
 - Inspect unit upon tenant move-in
 - Conduct anniversary meetings and send thank you letters
 - Inspect unit upon tenant move-out
 - Supervise general cleaning of unit upon tenant move-out
 - Supervise cleaning of floors, carpets, and rugs
 - Paint walls, baseboards, ceilings, lights, and built-in shelves
 - Order the cleaning of kitchen cabinets, countertops, sinks, stove, oven, and refrigerator
 - Order the cleaning of bathtubs, showers, toilets, and plumbing fixtures
 - Order the repair of doors, windows, window coverings, and mini-blinds
- ✓ **Rent Collection**
 - Manager agrees to collect all rents as they become due and shall from time to time as the Parties mutually agree provide to Owner monthly accounting statements of rental payments received and expenses paid. Manager agrees to disburse rental payments received less expenses paid, and less the Management Fee to Owner on or before the 15th day of each month.
 - Promote and establish auto draft and electronic payment accounts
 - Sign and send rent receipts
 - Maintain rent-collection records
 - Collect late rents and charges
 - Inform Owner of late rents
 - Prepare late rent notices

- Serve late rent, pay or quit, and unlawful detainer notices
- Serve rent increase and tenancy termination notices
- Deposit rent collections in bank
- Other: Facilitate evictions and complete set outs

- ✓ **Maintenance**
 - Conduct monthly drive-by inspections
 - Conduct interior inspections
 - Provide reports on maintenance, repairs, and utility expenses to Owner
 - Give rental violation notices when applicable
 - Order the cleaning of hallways and entryways and other common areas
 - Replace light bulbs in common areas
 - Drain water heaters
 - Order the cleaning of stairs, decks, patios, facades and sidewalks
 - Order the cleaning of garage oils on pavement
 - Lawn care, trim bushes and rake leaves
 - Order the cleaning of garbage and debris on grounds
 - Arranging for snow removal

- ✓ **Repairs**
 - Accept tenant complaints and repair requests
 - Inform Owner of maintenance and repair needs
 - Categorize and maintain written log of tenant complaints
 - Plumbing stoppages
 - Garbage disposal stoppages/repairs
 - Faucet leaks/washer replacement
 - Toilet repairs
 - Stove burners/hinges/knobs repair or replacement
 - Appliance repair
 - Light switch and outlet repair/replacement
 - Heater thermostat repair
 - Window repair/replacement
 - Painting (interior/exterior)
 - Key replacement
 - Handle all other routine maintenance and repairs
 - Coordinate repairs with contractors if needed (with owner approval for jobs more than the established dollar limit)

- ✓ **Other Responsibilities**
 - Provide phone number to tenants as an emergency contact number. Within reason, Manager should be able to respond at any time to an emergency.
 - Meet or call Owner at regular intervals to consult on the job priorities and give updated reports on status of residents and management priorities.
 - Manager will keep the following day(s) and times available for routine maintenance: 7-days/week as permitted.

IV. Hours and Schedule

Manager will be available to tenants between 7 a.m. and 7 p.m. on weekdays, and 8 a.m. and 5 p.m. on weekends. Except for emergencies, hours in excess of 10 hours per week billed must be approved by Owner. Hours worked in excess of agreed upon amount due to emergencies must be reported to Owner within 48 hours.

V. Payment

Owner agrees to compensate Manager as follows. Owner agrees to pay the Manager an amount equal to \$100 per vacant unit leased as a fee for acquiring, screening, and renting the premises; this fee is only charged per lease if the full lease term is met and further agrees to % percent of all rents and utility income collected, as a fee for managing the Property; which fees, plus any repair expenses, may be deducted by the Manager from rents, and further agrees to abide by the conditions set forth by the Manager to the tenant on the Owner's behalf. Management fees are paid at the time of the owner draw.

Maintenance is billed at \$ /hr. in 15-minute increments and billed when maintenance is performed or at a later date when multiple work orders can be paid together.

VI. Other Fees

- **Bill Markups**- Manager shall charge an administrative fee equal to one percent on bills greater than \$100 paid by Manager on Owners behalf. All bill markups will be shown on the owner statement.
- **Court Appearances**- Court appearances for eviction cases are billed at a flat fee of \$75.

Contractor Work & Project Management:

- Work performed by skilled trades is as-billed by the contractor.
- Lawn care and snow removal is completed at discount market rates.
- Renovation/ turnover projects carry a 5% markup on all materials and labor. Fees cover scope development, project management and construction administration.
- Evictions are as-billed by attorney of record (typically \$300-\$600).
- Owner is not obligated to complete renovation work or evictions through Manager.

Routine and Required Inspections/ Preventive Maintenance:

- **Monthly Drive-by**- on-site inspection with front/back images to spot any red flags or issues with property condition or tenant behavior.
- **Quarterly Furnace Filter Change**- all units will receive a quarterly furnace filter change to prolong furnace life.
- **Annual Comprehensive & Life Safety**- on-site inspection examining overall condition of interior and exterior of Property: roof/siding, appliances, mechanical equipment, smoke and carbon monoxide alarms, fire extinguisher, egress, trip hazards, hoarding, pests, and other safety issues; includes a full report for planning purposes
 - Properties <10 units= \$100/unit
 - Properties >10 units= \$75/unit
 - Properties >50 units= \$50/unit
- **Annual gutter cleaning**- Gutter cleaning is the best way to protect your property's foundation and will occur annually or semi-annually based on proximity to trees. Charges are typically \$1/ linear ft. (*ex: a 50ft long gutter will cost \$50 to clean*)

VII. Insurance

Owner agrees to maintain sufficient and prudent all risks property insurance with respect to the Property. Owner agrees to maintain adequate property insurance naming **REALIZE Property Management, LLC, an Ohio limited liability company**, on the policy declarations as an additional insured.

Owner certifies they have a current insurance policy with state minimum required coverage and that Owner shall immediately furnish copies of the same to Manager upon written request there from.

Owner Initial: _____

Miscellaneous; Additional Agreements; and Amendments

- **Hold harmless:** Owner to hold Property Manager harmless where others have demonstrated negligence. Manager will not assume liability for any outside party that causes harm when reasonable care has been taken.
- **Indemnification:** Owner hereby agrees to and shall indemnify, defend and hold harmless Manager from and against any and all indebtedness, obligations, liabilities, losses, judgments, actions, damages, claims, penalties, costs and expenses (including attorneys' fees) of any kind whatsoever, whether absolute or contingent, liquidated or unliquidated, matured or unmatured, or known or unknown, now existing or hereafter arising, created by or arising directly or indirectly out of or by reason of Manager's management of the Property described herein.
- **Owner draws:** To be paid via ACH by the 15th of the month to the account identified by Owner.
- **Governing Law:** This Agreement has and/or will be executed and delivered in the state of Ohio, and shall be governed, construed and enforced in accordance with the laws of the state of Ohio, without giving effect to principles of conflicts or choice of law.
- **Remedies:** All remedies set forth herein or available in equity or at law, shall be cumulative and shall not be or be deemed to be a waiver by any failure at any time to exercise the same.
- **Captions:** The captions contained in this Agreement are included only for convenience of reference and do not define, limit, explain or modify this Agreement or its interpretation, instruction or meaning and are in no way to be construed as a part of this Agreement. Notwithstanding the foregoing, the Recitals set forth herein shall be and hereby are made a part of this Agreement; however, any conflict by and between the Recitals and the Agreement shall be resolved in favor of the terms set forth in the numbered sections under the caption entitled "Agreement".
- **Waiver:** Any waiver by any Party of a breach of any provision of this Agreement shall not operate as or be construed to be a waiver of any other breach of that provision or of any breach of any other provision of this Agreement. The failure of any Party to insist upon strict adherence to any term of this Agreement on one or more occasions shall not be construed as a waiver or deprive that Party of the right thereafter to insist upon strict adherence to that term or any other term of this Agreement.
- **Severability:** If any provision of this Agreement shall be determined to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions of this Agreement shall not in any way be affected or impaired thereby, and if any provision is inapplicable to any person or circumstance, it shall nevertheless remain applicable to all other persons and circumstances. It is the intention of each Party to this Agreement that if any provision of this Agreement is susceptible to two or more constructions, one of which would render the provision enforceable and the other or others of which would render the provision unenforceable, then the

provision shall have the meaning which renders it enforceable.

- **Pronouns, Etc:** The number and gender of each pronoun used in this Agreement, if any, shall be construed to mean such number and gender as the context, circumstances or its antecedent may require. The terms “herein,” “hereof,” “hereunder,” and the like shall refer to this Agreement as a whole and not only to the particular sentence, paragraph, subsection, section or article in which such term appears. Words importing persons shall include partnerships, associations, corporations, trusts and other entities.
- **Counterparts:** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.
- **Assignment:** Manager shall not sell, assign, transfer, pledge, hypothecate or otherwise convey any of its rights, or delegate any of its duties, under this Agreement without the prior written consent of Owner, other than by operation of law. Any attempted sale, assignment, transfer, conveyance, or delegation in violation of this Section shall be void and shall not relieve Manager of any liability hereunder. All of the terms and provisions of this Agreement by or for the benefit of the Parties hereto shall be binding upon and inure to the benefit of their respective successors and permitted assigns.
- **Authority:** Each Party represents and warrants to the other that the representing Party has full authority to enter into this Agreement and consummate the transactions contemplated hereby and the person executing this Agreement on behalf of the representing Party has the requisite authority to bind the representing Party.
- **Entire Agreement:** This Agreement embodies the entire agreement by and between the Parties hereto and shall not be modified, changed, or altered in any respect, except in writing, executed in the same manner as this Agreement by the Parties hereto.
- **Owner Portal:** All activities, records, reports, and information will be located in the Owner Portal. Login and ID will be provided along with training as needed. Owner statements will be provided, but owners are free to pull any report at any time without assistance.

IN WITNESS WHEREOF, the Parties to this Agreement have executed this Agreement as of the date first set forth below and hereby agree to be bound by the same as of the Effective Date set forth above.

OWNER:

an _____ limited liability company

Signature: _____

Its: _____

Date: _____

MANAGER:

**REALIZE Property Management, LLC,
an Ohio limited liability company**

Signature: _____

Its: Managing Member _____

Date: _____

EXHIBIT "A"

"PROPERTY"

The following Properties are to be managed by the Manager under this Agreement.

1. _____
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