

Address of Home to Be Managed: _____



Aksarben

PROPERTY MANAGEMENT

PROPERTY MANAGEMENT AGREEMENT

1. OWNER

Owner Name: _____

Address: _____

City, State, Zip: _____

Best Phone: _____ Alt Phone: _____

Email: _____

2. PROPERTY TO BE MANAGED

Address: _____

City, State, Zip: _____

Asking Rental Price for the Home: \$_____ per month.

Lowest Acceptable Rental Price: \$_____ per month.

Non-Real Property: _____

*Non-Real Property to include Refrigerators, Washer, Dryer, Etc....

Home is Currently: Occupied Vacant

Details:

_____ See Additional Sheet for Full Property List:

3. TERM

- A. **Commencement Date:** Upon Completion of this Agreement by all parties.
- B. **Initial Term:** 6 Months from Date of Commencement of this Agreement.
- C. **Automatic Renewal:** This agreement will automatically renew for a month-to-month period.

- D. **Anniversary Date** – This agreement coincides with any current or future tenancy to include leases that Aksarben Property Management inherited on behalf of the owner, or when Aksarben Property Management executes a new lease agreement to include all lease renewals under management.
- E. **Tenancy:** This agreement coincides with any current or future tenancy to include leases that are inherited on behalf of the Owner, or when a new lease agreement is executed by Manager.
- F. **Change of Terms:** Any effective changes to this agreement after the initial term must be in writing and be presented to the other party at a minimum of 60 days in advance.
- G. **Owner Handbook:** Manager has created an Addendum to this agreement called the Owner Handbook that details Manager’s pricing, policies, and procedures for Owner review and acknowledgement that this agreement coincides with upon commencement. Any effective changes to the Owner Handbook will be presented in writing.
- H. **Termination:** If Owner violates any terms of service contained in this agreement or Manager determines that effective management services can no longer be provided, Manager may terminate this agreement immediately without notice.

4. LEASING AUTHORITY OF MANAGER

Owner grants to Manager the following authority which Manager may exercise on behalf of Owner’s best interest:

- A. Advertise the Property for lease using methods Manager determines to be most effective.
- B. Place a “For Rent” sign on property in accordance with local rules and regulations.
- C. Place a lockbox on the home to allow Realtors® and pre-screened applicants with access for showings as deemed appropriate by Manager.

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- E. Manager may 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.

7. MANAGER AUTHORITY - AGREEMENTS

- A. This agreement is subject to policy and procedures changes updated periodically into the Owner Handbook.
- B. Manager reserves the right to amend or supplement the terms and conditions contained in this Agreement or the Owner Handbook by providing written notice to Owner via email.
- C. This agreement may be assigned without written permission from Owner.

8. RECORD KEEPING

- A. Manager will file reports with the Internal Revenue Service related to funds received on behalf of the Owner under this agreement. Owner authorizes delivery of 1099 via electronic methods.
- B. Manager will remit each month to the Owner funds collected by Manager for Owner under this agreement, less authorized deduction, and a statement of receipts, disbursements, and charges. Owner may instruct Manager to remit the items to another person or address.
- C. Overdrawn Owner accounts reaching past 30 days will incur a surcharge for payment by Owner. The charge will equal 10% of the total overdrawn amount with a minimum charge of \$39 per month.

9. SECURITY DEPOSITS

- A. During this agreement, Manager will maintain security deposits received from residents in a trust account and will account to residents for the security deposits in accordance with the lease agreement and state law.
- B. After this agreement ends, Manager will deliver to Owner the status of the security deposit, less any deductions owed to Manager. In addition, Manager will send written notice to the resident the agreement has ended, the exact dollar amount of deposits, any Owner contact information, and a notice that Owner is solely responsible for accounting and returning the resident’s security deposit from date of cancellation.
- C. If Manager complies with this paragraph, Owner will waive any liability against Manager from any claim or loss from a resident for the return of a security deposit. Owner will be responsible for any legal fees incurred by Manager in lawsuits over a security deposit return. This paragraph survives termination of this agreement.

10. FREE SECURITY DEPOSIT GUARANTEE

Aksarben Property Management offers a Preferred Resident Program to assist in marketing your home For Rent by easing the burden of up-front expenses that residents incur while moving. This program allows residents to OPT IN to a monthly fee in lieu of paying a standard Security Deposit. Should an applicant sign up for the Preferred Resident Program and OPT OUT of paying an all up front Security Deposit, **Aksarben Property Management offers all Owners the Free Security Deposit Guarantee.** This program will offer to repair or reimburse Owner for damages caused to the home by the resident above normal fair wear and tear, up to the amount of ONE times (1X) the Monthly Rent. This amount will be limited to \$5,000 per home, per incident. This excludes pet damage covered in our Free Animal Protection Guarantee and / or damage caused by an authorized Service Animal per the Fair Housing Guidelines.

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11. FREE LEASING GUARANTEE

Aksarben Property Management will guarantee that tenancy for 12 months (Military Clause Excluded) Should a resident that Aksarben Property Management screened and placed under an executed lease agreement fail to complete an initial term for their lease agreement, NO Leasing Fee or Resident Realtor Commission will be charged to replace that resident. This excludes any shorter lease agreements that landlord agrees to with an executed lease agreement.

12. FREE ANIMAL PROTECTION GUARANTEE

Aksarben Property Management charges a monthly Animal Administrative Fee to the resident per each approved animal. We offer a guarantee that any damages caused to the home, above fair wear and tear, resulting from the approved animal(s) that is not covered by the security deposit will be reimbursed by Aksarben Property Management to make necessary repairs on behalf of the owner. This excludes any Service Animals per the Fair Housing Guidelines. This Free Animal Protection Guarantee is **limited to an amount of \$1,000.00 per incident**. Any collection efforts under this provision become the sole responsibility and ownership of Aksarben Property Management.

13. RESERVES

Upon execution of this agreement, or at time of execution of a new lease, Owner will allow Manager to hold in a trust account a reserve. These reserve funds will be used to pay any expense related to the leasing and management of the property. If the balance of the reserve becomes less than the amount stated, Manager may deduct the applicable amount from the monthly income to bring the balance to the amount requested. **The standard reserve is \$300.00 per home.**

14. E-PAYMENT POLICIES

Owner draws will be batch processed and sent out via ACH on or about the 13th to the 15th of each month. All Owner payments are made ACH and will be sent directly to the Owner’s checking or savings account from the bank ACH information provided below.

Owner draws should be received by Owners between the 14th to the 16th of each month.

15. OWNER REPRESENTATIONS

Owner represents and attests to all the following:

- A. Owner has fee simple title to and the legal capacity to lease the property.
- B. Owner is not bound by another agreement with another Broker or Manager for the leasing, management, or sale of this property that will affect the timing of this agreement. Should Owner enter into an agreement with another Manager, this agreement can be terminated without notice subject to all cancellation fees.
- C. No person or entity has any current rights to purchase, lease, or acquire the property by an option, right of first refusal, or any other agreement.
- D. Owner is not delinquent in the payment of any property taxes, association fees, property hazard insurance, or mortgage payments.
- E. Owner is in compliance with all local rental requirements to include licensing, fees, association permissions, property codes, and local taxes.

16. PROPERTY CONDITION

- A. Owner and Manager are obligated under law to disclose to a resident or to a prospective resident any known condition that materially and adversely affects the health or safety of an ordinary resident. Owner may be obligated under the Property Code to repair such condition for a resident. Owner represents that:
 - (1) any pool or spa has the required enclosures, fences, gates and latches in place to comply with all laws and ordinances; and
 - (2) Owner is not aware of any condition existing on the property that would materially affect the health or safety of an ordinary resident.
- B. **Utilities:** Owner is required to keep utilities connected and enabled to the home during any vacancies. Utilities to include water, gas, and electricity. If Manager is obligated to turn on utilities on behalf of the Owner, a processing fee will be charged. Utilities may be removed out of the Owner’s name starting the first day of the executed lease agreement.

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C. **Lead-Based Paint:** Was the property to be managed under this agreement built prior to 1978?

YES NO

If YES– Manager and Owner may complete and attach to this agreement an addendum regarding lead-based paint and lead-based paint hazard information that will be made part of any lease of the property and as required by federal law.

17. OWNER AGREES TO:

- A. Cooperate with Manager to facilitate showing, marketing, and lease of the property.
- B. Not rent or lease the property to anyone without Manager’s written approval.
- C. Not negotiate with any prospective resident or purchaser who might contact Owner directly but refer all inquiries to Manager.
- D. Not deal with or negotiate with any resident in the property concerning any matter related to the management, leasing, or purchase of the property.
- E. Not enter into a listing agreement For Sale or a property management agreement with another Manager for the rental, leasing, or management of the property to become effective during this agreement.
- F. Provide Manager with any existing copies of lease agreements related to the property, keys, remotes, or any warranties.
- G. Tender to Manager any security deposits paid by existing residents.
- H. Notify Manager if Owner becomes delinquent in the payment of any mortgage secured by the property, property taxes, property insurance, or association fees.

18. OWNER’S INSURANCE

Insurance Note: It is required that all homeowner’s carry insurance on the property to assist in risk mitigation to the owner, the resident, and the property manager. The three choices below are an illustration of different directions a homeowner may go. We encourage all owners to explore Option One under the Aksarben Property Management master insurance policy.

- A. At all times during this agreement while this home is under management, Owner must maintain in effect a public liability insurance policy (homeowner’s insurance) that covers losses to the property. This will include an amount equal to \$1,000,000 or more in a General Liability Limit also containing endorsements showing the insuring party is aware that the home will be leased to prospective residents. **It is required that the Owner name Aksarben Property Management as “Additionally Insured” on their Owner’s Insurance Policy.**
- B. This agreement will also serve as Owner’s authorization to obtain and discuss any claim regarding this home directly with the Owner’s insurance company.

18.1. OWNER’S INSURANCE OPTIONS

- A. OPTION ONE: Within 15 days of execution of this agreement, provide Aksarben Property Management with written proof of insurance coverage delivered via mail, or email, that indicates Aksarben Property Management – as named “**Additionally Insured**” on their Homeowner’s insurance policy. This policy must carry a minimum of \$1,000,000 in General Liability Limit. This will initiate the removal of the Owner’s Insurance Surcharge indicated in Para 18.2.
- B. OPTION TWO: Adhere to the Owner’s Insurance Surcharge paragraph 18.2. Owner will pay Aksarben Property Management a \$20.00 monthly surcharge.

In addition, Aksarben Property Management will arrange for Un-Insured Landlord Insurance Coverage at an additional charge to the owner of \$10.33 per month and a \$5.00 per month Administration Fee for a total monthly charge of \$35.33.

The total monthly charge of \$35.33 will be removed once Option One is completed above.

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18.2. OWNER'S INSURANCE SURCHARGE

- A. All Owners automatically incur a \$20.00 (twenty) per month Administration Surcharge to cover the cost of administrative fees associated with homeowner's insurance policy compliance.
- B. **Owners may OPT OUT** of this \$20.00 (twenty) per month Surcharge by providing Manager a letter or notice delivered via mail, email, or fax that indicates Aksarben Property Management – as named "**Additionally Insured**" on their Homeowner's Insurance Policy no later than 15 days from this agreement.

19. MANAGEMENT FEES

Management Fees: Aksarben Property Management will charge a management fee for each month the home is managed. Management fees will be charged once the home has been turned over to Manager.

Management Fee = 10% Gross Monthly Rent

Monthly Minimum Management Fee = \$100

Leasing & Advertising Fee =

50% of First Month's Gross Rent

Minimum of \$400 Per Unit

Renewals or Extensions: Each time a resident renews or extends their lease agreement, Aksarben Property Management will charge a

Renewal Commission of \$195. This commission will be charged for any executed lease extensions of at least 6 months, with a maximum of 12 months. Longer than 12-month lease extensions will be charged accordingly with a prorated renewal commission. This charge will be paid the following month after the extended lease agreement has been executed.

Interest on Trust Accounts: Aksarben Property Management retains any and all income resulting from an interest-bearing account.

Administrative Fees: Aksarben Property Management will retain any and all administrative fees to include late fees, in-sufficient fund fees, returned checks, animal admin fees, or any other assessed Resident fees.

Landlord Exit Fee: Upon completion or termination of this agreement, owners will incur a \$100 charge for turning over all documentation, accounting for all funds, archiving all files, and forwarding any information required to the owners and/or the residents. All files and accounting is required to be archived for seven years.

20. SET UP FEE

Upon completion of this agreement, a **\$100 Set Up Fee** will be charged to the Owner. This fee accounts for the set-up of all bank accounts, software, introduction packets, organizing with any existing residents, outgoing residents, co-operating Realtors, and/or Owner's points of contact to gain access to the home to integrate the home into Manager's care.

21. ANNUAL TAX PREPARATION FEE

There is an **Annual \$45 Tax Preparation Fee** to Manager to cover the costs of administration fees associated with all technology features to include electronic delivery of the required IRS Form 1099 each year. This fee is collected annually on 1 January.

22. REPAIRS & MAINTENANCE

- A. Manager will charge owner **10%** of the total invoice amount to handle routine repairs of a home under management.

REPAIR CHARGES = 10% with a \$45 Cap

- B. **Repair Charge Cap:** Aksarben Property Management will limit the 10% of the total invoice amount to \$45 per repair invoice.
- C. **Vendor Payments:** All vendor payments for work conducted on a home under management must be processed through Manager.
- D. Owners should consider this notice that on occasion without accounting to Owner, Manager may receive incentives, reimbursements, referral fees, or cash payments from business associates including cable companies, internet service providers, contractors, and vendors to refer or participate in joint business arrangements relating to repairs, inspections, improvements, maintenance, referrals, or group marketing efforts.

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23. FEES IN THE EVENT OF A SALE

Fee if a Resident Purchases Property: If at any time the owner sells the property to a resident who occupied the property during the term of this agreement no later than the time the resident vacates the property, owner will pay Aksarben Property Management a 4% commission of the total sales price of the home. Fees in this paragraph are earned at the time Owner agrees to sell the property and due upon close of escrow. The term "Sell" means to agree to sell, convey, transfer, or exchange any interest in the Property whether by oral or written agreement.

24. RESIDENT REALTOR® COMMISSION

Aksarben Property Management can offer any licensed Nebraska or Iowa Realtor a **\$250 Leasing Commission** to show and assist in bringing a qualified applicant to lease your home. The resident's Realtor® is required to show the home in person to be eligible for this commission paid upon lease execution and resident move in.

The Owner May Choose:

Include this program for the additional \$250 Leasing Commission payable by Owner upon lease execution.

DO NOT include this \$250 Leasing Commission program. Realtor's will NOT be offered a commission to show my property.

25. EARLY TERMINATION OF AGREEMENT

- A. **Prior to Lease Execution** - Owners may request an early termination to this agreement prior to a resident renting their home while their home is being marketed. There is a one-time early termination charge of \$250. Owner will reimburse Manager for any refunded applications, or unpaid fees caused from this early termination. Should Owner return to Aksarben Property Management within a 12-month period for management services, the \$250 may be credited back to the owner upon lease execution.
- B. **During Initial Term:** Should Owner cancel management agreement services within the first 6 (six) months of lease execution or takeover of an existing lease agreement, Owner agrees to a \$275 cancellation fee and will pay entire pro-rated balance of initial term management fees.

- C. **After Initial Term:** Owner may cancel management services with a written 30-day notice to Manager, without penalty, after the initial 6 (six) month term of this agreement. Owner agrees to pay balance of any monthly management fees owed in accordance with Paragraph 3.

26. LEASE NULLIFICATION

Manager reserves right to nullify any Aksarben Property Management drafted and executed custom lease agreements upon termination of this agreement by either party. The Aksarben Property Management custom lease is for the sole use of Aksarben Property Management clients. If either party chooses to cancel with a 30-day written notice, a Change in Management & Lease Nullification Notice will be sent to all parties to any current lease agreements.

27. FORECLOSURE NOTICES

- A. If Manager receives notice of the Owner's delinquency in the payment of any mortgage or encumbrance secured by the property, property taxes, property insurance or Homeowner's Association fees, Manager may give 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 Manager fees or funds due to Manager related to services performed under this agreement.
- B. Owner authorizes Manager to return any security deposit being held by Manager to a resident of the Property in addition to any prorated amount of rent being held by Manager and Manager may terminate this agreement without notice. This paragraph does not preclude Manager from seeking any other remedies under this agreement or at law that may be available to Manager.

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28. OWNER HOME WARRANTY

Does Owner Have a Home Warranty? YES NO

Manager DOES NOT recommend using a 3rd party provider for Home Warranty Services. Under this agreement, service calls that require the involvement of a 3rd party home warranty vendor will incur additional charges of \$45 per work order.

Home Warranty Failure To Repair: In the event a Home Warranty company fails to complete a timely repair, Aksarben Property Management retains full authority under paragraph 6 to complete any and all necessary repairs at Manager discretion.

29. PERIODIC HOME ASSESSMENTS

It is the policy of Aksarben Property Management to conduct an Annual Home Condition Assessment every year included in the Maintenance Service Package, and prior to a lease renewal being fully executed. Owners may elect to have additional Home Condition Assessments at the cost of \$95.00 per scheduled assessment. A copy of this assessment will be sent to the owner.

Choose the Frequency of a Home Condition Assessment being conducted:

ONE assessment per year conducted prior to renewal included with the Maintenance Service Package.

OPTIONAL – Add additional Home Condition Assessment conducted every six months.

\$95.00 per each added Home Condition Assessment

30. HOME INSPECTIONS

OPTIONAL: As a cost-effective method for ensuring the home is reviewed on an annual or bi-annual basis, a Home Condition Assessment is conducted with only a visual inspection. During this Home Condition Assessment as described above, no mechanical, plumbing, electrical, HVAC, or other is manually inspected in the home that requires a state Inspector’s license.

We recommend to all owners requiring a more inclusive inspection to allow us to arrange for a state licensed inspector to conduct a Mechanical Inspection of the home with a written report once per year.

The cost for this inspection is dependent on the size of the home, and the additional items requiring inspection by the owner (example: septic system, or in-ground pool).

These costs may range from \$400 to \$1,000 per inspection.

Owner requests Aksarben Property Management to coordinate for a Mechanical Inspection of the home on an annual basis costing between \$400 to \$1,000 per inspection.

Owner declines option for a Mechanical Inspection of the home conducted annually.

31. NECESSARY MAINTENANCE

During an initial or annual Home Condition Inspection, it may become necessary to perform required maintenance to a home. It is the policy of the Manager to ensure full compliance with state law.

32. POOL MAINTENANCE

Does the Home Have a Pool? YES NO

Owner agrees to provide an ongoing Pool Maintenance Service Contract with Manager. All billing and service arrangements may be made through Manager.

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33. RESIDENT BENEFITS PACKAGE

Included with ALL lease agreements under Aksarben Property Management is the Resident Benefits Package. All residents under the Aksarben Property Management lease agreement will receive the benefits listed below included for \$35.00 per month.

These features are included with the **\$35.00 monthly fee:**

- 1) \$100,000 Resident Protection Benefit.
- 2) \$10,000 Resident Bodily Injury Benefit.
- 3) \$5,000 Resident Contents Benefit.
- 4) No Additional Charges for All Rental Payment Options to Include In-Person, ACH, or Check.
- 5) Included Resident Portal for Maintenance, Payment Options, and Electronic Statements.
- 6) Free Credit Reporting for All Rental Payments made during this Lease to TransUnion.
- 7) 24/7 Maintenance Hotline with Live Phone Support.
- 8) One Time Returned Payment Fee Forgiveness.
- 9) Free Lockbox Move In and Move Out Access.

In the event of a claim: Residents may visit www.YRIG.com to complete a claim request.

Residents may opt-out of the insurance portion of this program by showing proof of *Renter's Insurance* with coverage equal to atleast \$5,000 and naming Aksarben Property Management as ADDITIONALLY INSURED for a cost difference savings of \$12 per month.

34. LIABILITY AND INDEMNIFICATION

- A. Manager 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.
- B. This includes but not limited to injuries or damages caused by: Other Managers, their associates, inspectors, appraisers, and contractors who are authorized to access the property on behalf of the Owner; Acts of third parties (vandalism, theft, or other criminal acts); Freezing or leaking water pipes; A dangerous condition or environmental condition of the property; Hurricanes or Flooding; Or the property's non-compliance with any law or ordinance.

- C. Manager is not responsible or liable in any manner for any late fees or other charges Owner incurs to any creditor caused by late or insufficient payments by any resident in the property damages to Owner caused by a resident's breach of lease.
- D. Owner agrees to protect, defend, indemnify, and hold Manager harmless for 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 material or relevant information about the property; (3) Are caused by Owner giving incorrect information to any person; (4) related to the management of the property and are not caused by Manager, negligently or otherwise.
- E. Owner is responsible for and liable for all contracts and obligations related to the property for maintenance, service, repairs, and utility arrangements made before or during this agreement. Owner agrees to hold Manager harmless from all claims related to such contracts.
- F. **Property Codes & State Laws:** State law may require certain types of locks or security devices on all exterior doors of residential rental properties and requires smoke detectors in certain locations including all bedrooms. These guidelines may require the security devices to be rekeyed, peep holes on exterior doors, an interior only locking mechanism, and the smoke detectors to be tested each time a new resident occupies the property.
- G. **INDEMNITY PROVISION: IF ANY THIRD PARTY ASSERTS ANY CLAIM AGAINST MANAGER FOR ANY CAUSE OF ACTION RELATED TO THE LEASE AGREEMENT OR THIS AGREEMENT, OWNER WILL INDEMNIFY MANAGER FROM ANY CLAIMS, INCLUDING ATTORNEY FEES INCURRED IN DEFENSE OF ANY CLAIM.**

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35. FEDERAL FAIR HOUSING NOTICE

In accordance with the Federal Fair Housing laws, the National Association of Residential Property Managers (NARPM), and the National Association of Realtors Code of Ethics, Manager'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.

36. ACH INFORMATION FOR DIRECT DEPOSIT

Aksarben Property Management uses Property Management accounting software to send monthly Owner Draws directly to the Owner's account via ACH. We request your banking information below and your signed authorization to conduct ACH transactions with your banking institution. We are only able to send funds to owners via ACH.

Name on Owner Account: _____

Checking Account OR Savings Account

Account Number: _____

Routing Number: _____

37. DATE HOME WAS VISITED / COMMENTS:

38. SIGNATURES:

**Aksarben Property
Management**

Representative Signature

Date

Owner Printed Name

Owner Signature

Date