

PROPERTY MANAGEMENT AGREEMENT

This Agreement, made this day _____, between Grijalva Realty Corp., an Arizona Corporation, hereinafter called the "Manager" and _____, hereinafter called the "Owner."

1) Owner is employing Manager to manage, collect rents, arrange for maintenance and pay for same from Owner's funds, locate and service tenants for the property known as _____, Tucson, Arizona, _____. Property described as follows: ___ units. Utilities paid by Owner _____. Owner is responsible to pay any utility that has one meter serving more than one unit, or an independent company will be hired at owners' expense to read the meter and bill the tenants. Minimum acceptable rent _____. Starting rent \$_____ Minimum acceptable security deposit _____, Pets _____ with _____ deposit. Owner will participate with Move-In Specials. _____. Other special conditions:

2) Owners desire to engage the service of Manager to provide such services on the following terms and conditions:

- A. This Agreement shall begin on _____ and shall be in effect for a period of ___ years and expire at midnight on _____. A Notice of Renewal will be sent out at least 30 days prior to expiration date. If Owner does not notify Manager of their intent to cancel, this agreement shall automatically renew for another term. Any changes in the new management agreement will be effective at this time. Either Manager or Owner may terminate this agreement at any time upon giving thirty (30) days advance written notice to the other party. Should Owner terminate the Agreement, Owner agrees all Management and other fees owed Manager shall be paid in full. If owner cancels this agreement within the first 12 months there is a cancellation fee of _____. Should a "Trustee's Notice of Sale" be posted on said property, the management agreement will immediately cancel and security deposits on deposit with Grijalva Realty Corp will be forfeited to the tenant.
- B. Manager to make or cause to be made and supervise repairs and maintenance and to do routine work necessary when vacated to prepare the unit for re-rental: to purchase supplies and pay all bills thereof. The Manager agrees to secure prior approval of the Owner on expenditures in excess of \$200.00 for any one item, except monthly, or recurring operating charges and emergency repairs in excess of maximum if, in the opinion of Manager, such repairs are necessary to protect the property from damage, prevent damage to life or to the property of others, to avoid suspension of necessary services, to avoid penalties and to maintain services to the tenants as called for in their lease. Owner agrees to keep _____ in reserve with the management company to pay routine bills in a timely manner.
- C. All reasonable expenses incurred by Manager in the operation of the property, included but not limited to those expenses in Paragraph B, shall be paid for by Owner. Such expenses shall be deducted from rents paid on the property, or as otherwise agreed upon by Owner and Manager in advance of expenditure. A monthly statement shall be sent to Owner with a net proceeds check or showing the current account balance. A charge of \$8.00 per week that the property has vacant units, shall be charged to the owner to cover advertising. Advertising will include, but not be limited to signs as permissible, internet advertising, vacancy lists available at

the Managers' office, and generic ads in the Tucson Newspaper. If additional advertising is requested by Owner, the cost will be charged to the Owner.

- D. Manager will mail debt service (Mortgage/Association fees) payments for the Owner if requested. Manager assumes no responsibility for late charges or other penalties or actions, if the Owner has insufficient funds on deposit with Manager to meet the obligations at the time they are due.
- E. Manager to execute and terminate tenancies and to sign and serve in the name of the Owner such notices as are appropriate as prescribed by the Arizona Landlord Tenant Act, to institute and prosecute action, to evict tenants to recover possession of said premises in the Owner and recover rents or release such actions or suits or reinstate such tenancies. Manager agrees to follow all procedures possible to secure responsible tenants. If said tenants fail to live up to the terms of the lease, Owner shall not hold Manager responsible.
- F. Owner agrees to indemnify and hold harmless the Broker from any claims, demands, or charges, including necessary attorney's fees, from any liability for injury suffered on or about the premises by any person, and in connection to management unless they arise from gross negligence of Broker.
- G. Manager's fee for the above services shall be in the amount of _____ per cent of the gross monthly collected rents of said property and Manager is hereby authorized to deduct this fee and other applicable expenses from said rents each month for the term of this agreement. All late fees collected by Manager are considered compensation for extra management expenses and belong to the Manager. Additionally, there is a _____ leasing fee to be paid by Owner when a lease of at least six (6) months is signed by a tenant on said property. This fee is for initial leases only. This fee shall be collected from the first month's payment on said lease, in addition to first month's management fee.
- H. Manager is a licensed real estate broker in Arizona and an independent contractor of Owner, not an employee of owner. All notices, demands, or other communication shall be in writing and be deposited in the U.S. Mail, postage prepaid. Grijalva Realty Corp., 4431 E. Broadway Blvd., Tucson, AZ 85711.
- I. Manager will retain all security deposits received from tenants per term of the lease, until such time a tenant defaults on the lease and the deposit is forfeited for the benefit of the Owner. The Owner understands and agrees that funds may be deposited in an interest-bearing account with a duly-licensed bank in a trust account separate from Corporate Operating account. Owner further understands that interest will be used to offset banking fees and accounting costs. The interest will not be credited to Owner. There will be a fee of \$.25 per copy for excessive copies
- J. Owner agrees to list property for sale with Grijalva Realty Corp for sale, if the owner decides to sell during the term of this agreement. Sales commission to be 6% of the gross sales price. If tenant procured by Grijalva Realty Corp. buys said property, a commission of 6% of gross sales price shall be paid to Grijalva Realty Corp.
- K. Other charges: Should owner want manager to do inspections of the property, there will be a fee of \$45.00 per inspection and 35 cents per mile if over 6 miles from the office. This report shall include pictures of interior and exterior. If manager must put

emergency charges on Grijalva Realty's credit card for any reason, there will be a \$25 service charge to the owner.

L. Should major repairs be necessary to a property during the duration of this Agreement, a supervisory fee will be negotiated with Owner and Manager to cover expenses of receiving numerous bids and coordinating work to be done.

M. Appliances and personal property included with the property.

- Stove – gas or electric – make _____
- Refrigerator – yes or no – make _____
- Dishwasher – yes or no – make _____
- Microwave – yes or no – make _____
- Clothes washer- yes or no – make _____ as- is - yes or no
- Clothes Dryer- yes or no – make _____ as-is – yes or no
- Garage door opener -yes or no – number of remotes ____
- Other _____
- _____
- _____

This Agreement may not be modified unless such modifications are in writing and executed by all parties to this Agreement.

If property is owned in an LLC, Trust or other entity, Owner has included a copy of pertinent documents showing that the party signing this agreement is authorized to do so.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates above and below:

_____	_____	_____	_____
Authorized signer	Date	Authorized signer	Date
_____	_____	_____	_____
Printed Name		Printed Name	
_____	_____	_____	_____
Social Security Number		Social Security Number	
_____	_____	_____	_____
Statement Address		Preferred Phone	
_____	_____	_____	_____
City, State, Zip		Alternate Phone	
_____	_____	_____	_____
Property Manager or Agent	Date	Owners' Email	
11/09			

No virus found in this incoming message.
Checked by AVG - www.avg.com
Version: 8.5.426 / Virus Database: 270.14.97/2550 - Release Date: 12/07/09