nvpm

Property Management Services, Inc.

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Property Management Agreement

Name of owner(s) _____ ("Owner")

Agent: NVPM Property Management Services, Inc. ("Agent")

If more than one person signs as Owner, each is jointly and severally responsible under this agreement, and Agent may rely on instructions from any Owner.

Property(s) Address(es): _____

Owner agrees to hire Agent to manage the above stated property(s) on a month-to-month basis, subject to the termination terms in Section 17.

1. Agent will market the property for rent and will use its own judgment on the type, frequency, length, and wording of advertising, including generic (non-property-specific) ads and whether to display "For Rent" signs. Agent will pay for its standard marketing and may, at its discretion, spend more when it believes additional marketing is needed. Agent will use all reasonable efforts to find desirable residents.

2. Agent will select residents using the Credit Association application process. Applicants pay the application fee, which covers screening costs such as credit checks, and Agent keeps any fees remaining. Agent does not guarantee any part of a resident's obligations under the rental agreement.

3. Agent will use its own judgment in all aspects of renting and managing the property, unless otherwise agreed.

4. Agent will collect rents, security deposits, and all other receipts, and will deposit these funds in a trust account at a financial institution whose deposits are insured by an agency of the United States Government. If the property is owned by more than one person, Agent may make payments to any one Owner, unless all Owners give Agent written instructions to divide payments among them (for example, 50/50).

   Resident security deposits are held in Agent's trust account and are not included in payments to Owner. Deposits are returned to the resident after move-out, less any lawful deductions, or transferred to Owner if this agreement ends while the resident still occupies the property.

5. Agent may sign and serve, in Owner's or Agent's name, any notices that are required or appropriate; begin and pursue eviction actions; recover possession of the property in Owner's name; recover rents and other amounts due; and, when appropriate, settle, compromise, and release claims, actions, and suits, or reinstate tenancies. Owner is responsible for the costs of these processes.

6. Agent may perform any of its duties through attorneys, agents, or employees, and will not be responsible for their acts, defaults, or negligence if reasonable care was used in selecting and retaining them.

7. **Maintenance.** Owner agrees that the property must be maintained to meet or exceed all applicable laws and regulations. Agent will get Owner's written or verbal approval before making any repair, except in an emergency. Owner may set a dollar amount below which Agent may complete repairs without approval, either in Section 21 (Additional Terms) or later by written notice to Agent. In an emergency, meaning a situation that threatens health, safety, or the property, Agent may make repairs without approval and will notify Owner as soon as possible.

8. At Owner's request, Agent will pay bills related to the managed property. Agent may set up or transfer these accounts, including utilities, into Agent's name or to Agent's billing address. Owner authorizes Agent to contact service providers, lenders, and other billers on Owner's behalf to set up accounts, get account information, and change billing addresses, and will provide any information or written authorization a provider requires.

9. Agent will keep accurate records of all money received and paid out in connection with managing the property. Owner can view monthly statements and reports at any time through Agent's online owner portal. Owner may also inspect Agent's records for the property during regular business hours with 24 hours' written notice.

10. **Fees.** The management fee is _____% of gross income collected. Agent keeps any fees paid by applicants and residents, such as application and credit check fees. Agent receives the same percentage of any late fees collected as its management fee. If Agent gives a resident an allowance, such as an on-site manager discount, cleaning allowance, or move-in special, Agent will show it as an expense on Owner's statement.

    Turnover fee. When a resident moves out of a unit while the property is under Agent's management, Owner will pay Agent a turnover fee of $150 per unit. This fee covers the pre-move-out walkthrough, the move-out inspection, and Agent's preparation of the move-out disposition, which explains any charges and the handling of the resident's security deposit. Agent coordinates and pays its third-party inspector, and there is no additional charge for that work. This fee is not charged when a property first comes under Agent's management.

11. Owner will name Agent as an additional insured on the property's insurance policy. Owner will indemnify and hold harmless Agent, including its broker and employees, from all costs, expenses, attorney fees, suits, liabilities, and damages arising from or connected with the management of the property or Agent's performance of its duties under this agreement, except for Agent's gross negligence.

12. This agreement is binding on the parties and their successors, heirs, administrators, and executors.

13. If Agent manages more than one property for Owner under this agreement, Agent may transfer funds between those properties as needed.

14. **Reserves.** Agent will keep a reserve of $500 for each detached single-family home and $1,000 for each multi-family property. Multi-family includes any property with more than one unit or located in a multi-unit building or complex, such as duplexes, apartments, and condominiums.

    Owner and Agent may agree to a different reserve amount, noted in Section 21. If Agent pays recurring bills on Owner's behalf (such as HOA dues, loan payments, or utilities) and the reserve is not enough to cover them, Agent will notify Owner in writing of the additional reserve needed, and Owner and Agent will agree on an adjusted amount.

15. Owner agrees to use email or text as the primary way of communicating with Agent, to help avoid confusion or miscommunication. Email counts as written notice under this agreement.

16. **Monthly payments and statements.** On or about the 15th of each month (adjusted for weekends and holidays), Agent will send Owner all funds held for Owner above the required reserve. Payments are made by direct deposit. If Owner is unable to receive direct deposit, Agent may agree in writing to pay by mailed check, which may take longer to arrive. Monthly statements and reports will be available in the owner portal and sent by email.

17. **Termination.** Either party may end this agreement at any time by giving the other at least 30 days' written notice. There is no fee to end this agreement, except as follows:

    Early termination fee. Agent covers the up-front costs of taking on a new property, including marketing, showings, resident screening, and move-in. If Owner ends this agreement within the first 12 months after the Management Start Date, Owner will pay Agent an early termination fee equal to 50% of one month's rent for each property, based on the current monthly rent, or the advertised rent if the property is vacant. This fee does not apply if Owner ends this agreement because the property is sold (see Section 19), or because Agent has failed to perform its duties under this agreement. The Management Start Date is the date Agent begins managing the property.

    After termination of agreement, owner agrees not to hire any employee of agent's company for Property Management purposes.

18. Within 45 days after this agreement ends, Agent will provide Owner with:
    a. An up-to-date accounting of income and expenses for the property as of the termination date.
    b. Any balance of Owner's funds held by Agent.
    c. All leases, deposit receipts, insurance policies, and unpaid bills belonging to Owner.
    d. All resident security deposits held by Agent for the property.

19. **Sale of Property.** Owner agrees to notify Agent in writing at least 30 days before listing a managed property for sale. Agent will coordinate showings with residents, including giving residents any legally required notice before entry. Existing leases remain in effect after a sale unless ended according to their terms or California law. When a sold property leaves management, Agent will transfer resident security deposits as required by law. There is no fee for ending management because of a sale.

    Agent would welcome the opportunity to continue managing the property for the buyer. Owner agrees to let the buyer or the buyer's agent know that Agent is available, and to share Agent's contact information with them. Any continued management will be under a new agreement between Agent and the buyer.

20. **Tax Withholding**.
    a. If Owner is not a California Resident or a corporation or LLC qualified to conduct business in California, Owner authorizes Agent to withhold and transmit to California Franchise Tax Board ("FTB") 7% of the GROSS payments to Owner that exceed $1,500 received by Agent, unless Owner completes and transmits to Agent FTB form 589, nonresident reduced withholding request, FTB form 588, nonresident withholding waiver, or FTB form 590, withholding exemption certificate.
    b. If Owner is a nonresident alien individual, a foreign entity, or other non-U.S. person, (Foreign Investor) Owner authorizes Agent to withhold

and transmit to the Internal Revenue Service (IRS) 30% of the GROSS rental receipts unless Owner elects to treat rental income as "effectively connected income" by submitting to Agent a fully completed IRS form W-8ECI, Certificate of Foreign Person's Claim for Exemption From Withholding on Income Effectively Connected With the Conduct of a Trade of Business in the United States. A Foreign investor Owner will need to obtain a U.S. tax payer identification number and file a declaration with the IRS regarding effectively connected income in order to complete the form given to Agent. Further, the Foreign Investor Owner will be responsible for making any necessary estimated tax payments.

21. Additional Terms.

Any terms written below apply only to this agreement and take priority over any conflicting terms above. If there are no additional terms, write "None."

_____

_____

_____

Broker/Agent: _____ Date _____
#01978824 NVPM Property Management Services, Inc.

Owner(s):
Signature: _____ Date: _____

Printed name / title (if signing for an entity): _____

Signature: _____ Date: _____

Printed name / title (if signing for an entity): _____