



Property Manager Agreement

License # 201106006

This Agreement is made effective as of **(date)**, **by and between (owner and address)**, (Hereinafter called "Owner") and Next Generation Property Management LLC of 1312 Market St, Springfield, Oregon 97477 (Hereinafter called "Manager").

The Manager is experienced in the operation and management of real estate and has the necessary staff and is otherwise completely able to competently manage real estate properties, and is willing to undertake the management and operation of the real estate properties of the Owner under the terms set out in this agreement:

1. DESCRIPTION OF THE PROPERTY. This Agreement is made with respect to the following properties:

- **(property address)**

2. RESPONSIBILITIES OF THE MANAGER. The Manager will serve, as an independent contractor, as the Owner's exclusive agent. Beginning on **(date)** Manager will provide to Owner the following services (collectively, the Services):

- a. **Collection and Disbursement:** Manager agrees to collect all rents as they become due; to render to Owner a monthly accounting of rents received and expenses paid; and to remit to Owner all income, less any sums paid out. Manager agrees to collect the rents from the tenant and to disburse funds by ordinary mail or as instructed by the Owner on or before the day of the current month, provided, however, that the rent has been received from the tenant; Manager is authorized to impose a late fee for rental payments received more than five days late, and a fee for any NSF check received from any tenant. Such fees will be charged to the tenant's account and, when paid, shall be retained by Manager as consideration for administrative costs and expenses incurred in connection with such late payments. All Client Funds received by Manager shall be deposited in a bank trust account maintained by Manager for the deposit of funds received on behalf of owners of property managed under property management agreements. Owner acknowledges that the Manager does not guarantee the collection of Client Funds. Owner hereby authorizes Manager to transfer funds between two or more ledgers and/or accounts maintained for Owner.
- b. **Maintenance and Labor:** Manager agrees to decorate, to maintain, and to repair the property and to hire and to supervise all employees and other needed labor. **If repairs to said property are under \$500, Manager is authorized to repair said property without authorization from the owner, and if repairs are over \$500, Manager will notify owner for authorization to repair.**

c. **Inspection:** Manager agrees to physically inspect the property on a regular basis and to provide Owner with a written inspection report within 10 days of any such inspection.

d. **Advertisement and Legal Proceedings:** Manager agrees to advertise for tenants, screen tenants and select tenants of suitable credit worthiness. If the amount we can charge an applicant for screening is legally regulated by a state or local authority, the difference in the actual cost to complete the screening can be charged to the owner. If Owner requests a form of advertising that incurs a cost, advertising cost to be charged to owner. 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 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 lawsuits or proceedings.

3. PAYMENT. The Manager is entitled to withhold a standard **8%** from each monthly rental payment for payment of Managers services under this contract. For any services rendered other than those set out in this agreement, the Manager may be compensated at such a rate and on such terms as may be agreed between the Manager and the Owner. The payment indicated above does not account for payment for materials, labor or other costs which may be incurred in order to maintain the property. In addition to the **8%** payment the Manager is entitled to withhold, the Manager may also withhold any sums necessary to cover fees and costs the Manager has incurred in regards to the property. The Manager will notify the Owner of any tenant who is over 15 days behind in paying their rent. In the event the rental payments in any month do not cover the total fees and costs owed to the Manager, the Owner will remit payment of the remaining balance within 5 days of notification by the Manager. The Manager is required to provide the Owner with an itemized monthly statement reflecting all rents received, owed, and all disbursements made from the rental payments.

3.a. Placement Fee. Placement Fees for New Tenancies: Each time the Property is leased to a new tenant, Owner will pay Manager a placement fee of \$250, due and payable at the time the lease or rental agreement is executed.

3.b. Onboarding Fee. Onboarding Fees for rented properties. Owner will pay Manager a one-time Onboarding Fee of \$95 per rented unit at the time the management agreement is executed.

3.c. Ancillary Service Revenue; Referral fees. Manager may, at its sole discretion, provide ancillary services to a Resident to include, but not limited to, resident benefit packages, utility concierge services, credit bureau reporting, rent rewards, and other resident services, for a recurring monthly fee, paid by the Resident. Where permitted by law, the monthly fee may include the cost of the services and an administrative fee for the administration of the services by the Manager. In lieu of a monthly administrative fee paid by the Resident, the Manager may receive referral fees from the applicable service providers for Resident referrals. All

administrative and referral fees shall be payable solely to the Manager, and the Owner shall not receive any proceeds from the administrative and referral fees related to the ancillary services.

A necessary and reasonable property reserve for unknown repairs and routine expenses, of \$500 shall be paid to the Manager by the Owner within 5 days of execution of this management agreement. The property reserve will remain with the property until the end of management.

Unless otherwise directed by Owner, Manager will disburse to Owner the balance in Owner's account after payment of expenses authorized by this agreement. Payment to Owner to be made by the 15th of each month.

Owner hereby agrees:

- a.) To pay Manager \$50.00 per unit, as a termination processing fee on close of contract.
- b.) If Manager is instructed to oversee or arrange for alterations, repairs or remodeling of any premise for which the cost exceeds \$2,000.00, Manager shall be compensated at a rate 10% of the gross cost of the stated alterations, repairs or remodeling.
- c.) If Manager necessarily and at the request of the Owner expends time or incurs expense because of its status or obligations under this Agreement in excess of those reasonably anticipated by the parties at the time of execution of this Agreement (such as an audit of Owner's account, suit of Owner by a third party, court appearances or property maintenance not responsible by the tenant), Manager will be compensated at the rate of \$75.00 per hour for such time.
- d.) To reimburse Manager any and all costs incurred for filing FED's (Tenant Eviction)

4. RELATIONSHIP OF PARTIES. It is understood by the parties that Manager is an independent contractor with respect to the relationship between the parties, and not an employee of the Owner. Owner will not provide fringe benefits, including health insurance benefits, paid vacation, or any other employee benefit, for the benefit of the Manager.

5. WARRANTY. Next Generation Property Management LLC shall provide its services and meet its obligations under this Agreement in a timely and workmanlike manner, using knowledge and recommendations for performing the services which meet generally acceptable standards in Next Generation Property Management LLC's community and region, and will provide a standard of care equal to, or superior to, care used by service providers similar to Next Generation Property Management LLC on similar projects.

6. TERM. The Agreement may be terminated at any time by either party with or without cause provided at least 30 days' prior written notice is delivered by the terminating party to the other party.

7. INDEMNIFICATION. Next Generation Property Management LLC agrees to indemnify and hold **(owner)** harmless from all claims, losses, expenses, fees including attorney fees, costs, and judgments that may be asserted against **(owner)** that result from the acts or omissions of Next

Generation Property Management LLC and/or Next Generation Property Management LLC's employees, agents, or representatives.

Owner Covenants:

- a.) To obtain and maintain public liability insurance with contractual liability endorsements with no less than \$300,000.00 combined single limits. The Owner shall name Manager as an Additional Named Insured on such policy and promptly provide the Manager with a certificate of such insurance. Manager does not have responsibility of securing insurance on the said property. If Owner fails to provide insurance as required above, Manager will have authority to secure public liability and pay premiums from Owner's account balance.

8. DEFAULT. The occurrence of any of the following shall constitute a material default under this Contract:

- a. The failure to make a required payment when due.
- b. The insolvency or bankruptcy of either party.
- c. The subjection of any of either party's property to any levy, seizure, general assignment for the benefit of creditors, application or sale for or by any creditor or government agency.
- d. The failure to make available or deliver the Services in the time and manner provided for in this Contract.

9. REMEDIES. In addition to any and all other rights a party may have available according to law, if a party defaults by failing to substantially perform any provision, term or condition of this Agreement (including without limitation the failure to make a monetary payment when due), the other party may terminate the Agreement by providing written notice to the defaulting party. This notice shall describe with sufficient detail the nature of the default. The party receiving such notice shall have 10 days from the effective date of such notice to cure the default(s). Unless waived by a party providing notice, the failure to cure the default(s) within such time period shall result in the automatic termination of this Agreement.

10. FORCE MAJEURE. If performance of this Agreement or any obligation under this Agreement is prevented, restricted, or interfered with by causes beyond either party's reasonable control ("Force Majeure"), and if the party unable to carry out its obligations gives the other party prompt written notice of such event, then the obligations of the party invoking this provision shall be suspended to the extent necessary by such event. The term Force Majeure shall include, without limitation, acts of God, fire, explosion, vandalism, storm or other similar occurrence, orders or acts of military or civil authority, or by national emergencies, insurrections, riots, or wars, or strikes, lock-outs, work stoppages, or other labor disputes, or supplier failures. The excused party shall use reasonable efforts under the circumstances to avoid or remove such causes of non-performance and shall proceed to perform with reasonable dispatch whenever such causes are removed or ceased. An act or omission shall be deemed within the reasonable control of a party if committed, omitted, or caused by such party, or its employees, officers, agents, or affiliates.

11. ARBITRATION. Any controversies or disputes arising out of or relating to this Agreement shall be resolved by binding arbitration in accordance with the then-current Commercial Arbitration Rules of the American Arbitration Association. The parties shall select a mutually acceptable arbitrator knowledgeable about issues relating to the subject matter of this Agreement. In the event the parties are unable to agree to such a selection, each party will select an arbitrator and the two arbitrators in turn shall select a third arbitrator, all three of whom shall preside jointly over the matter. The arbitration shall take place at a location that is reasonably centrally located between the parties, or otherwise mutually agreed upon by the parties. All documents, materials, and information in the possession of each party that are in any way relevant to the dispute shall be made available to the other party for review and copying no later than 30 days after the notice of arbitration is served. The arbitrator(s) shall not have the authority to modify any provision of this Contract or to award punitive damages. The arbitrator(s) shall have the power to issue mandatory orders and restraint orders in connection with the arbitration. The decision rendered by the arbitrator(s) shall be final and binding on the parties, and judgment may be entered in conformity with the decision in any court having jurisdiction. The agreement to arbitration shall be specifically enforceable under the prevailing arbitration law. During the continuance of any arbitration proceeding, the parties shall continue to perform their respective obligations under this Contract.

12. CONFIDENTIALITY. Next Generation Property Management LLC, and its employees, agents, or representatives will not at any time or in any manner, either directly or indirectly, use for the personal benefit of Next Generation Property Management LLC, or divulge, disclose, or communicate in any manner, any information that is proprietary to **(owner)**. Next Generation Property Management LLC and its employees, agents, and representatives will protect such information and treat it as strictly confidential. This provision will continue to be effective after the termination of this Agreement.

Upon termination of this Agreement, Next Generation Property Management LLC will return to **(owner)** all records, notes, documentation and other items that were used, created, or controlled by Next Generation Property Management LLC during the term of this Agreement.

13. NOTICE. Any notice or communication required or permitted under this Agreement shall be sufficiently given if delivered in person or by certified mail, return receipt requested, to the address set forth in the opening paragraph or to such other address as one party may have furnished to the other in writing.

14. ENTIRE AGREEMENT. This Agreement contains the entire agreement of the parties, and there are no other promises or conditions in any other agreement whether oral or written concerning the subject matter of this Agreement. This Agreement supersedes any prior written or oral agreements between the parties.

15. AMENDMENT. This Agreement may be modified or amended in writing, if the writing is signed by the party obligated under the amendment. **The property management agreement consists of 6 pages.**

16. SEVERABILITY. If any provision of this Agreement will be held to be invalid or unenforceable for any reason, the remaining provisions will continue to be valid and enforceable. If a court finds that any provision of this Agreement is invalid or unenforceable, but that by limiting such provision it would become valid and enforceable, then such provision will be deemed to be written, construed, and enforced as so limited.

17. WAIVER OF CONTRACTUAL RIGHT. The failure of either party to enforce any provision of this Agreement shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Agreement.

18. PROPERTIES WITHIN EUGENE CITY LIMITS. Owner agrees to follow City of Eugene requirements for reporting of a residential rental dwelling.

19. GOVERNING LAW. This Agreement shall be construed in accordance with the laws of the State of Oregon. Manager does not provide legal advice and it is the responsibility of the Owner to stay up to date with all federal, state and local laws that impact their rental.

Owner:
(owner)

By: _____ Date: _____
(owner)

Manager:
Next Generation Property Management LLC

By: _____ Date: _____
Jeremy Gourley
Property Manager