

## Guarantee Addendum for Leased Properties

Mark Downey & Associates, Inc., hereinafter referred to as MD&A, hereby agrees to offer the following guarantee:

1. MD&A to pay \$250 to Owner should MD&A not procure a tenant within 90 days.

a. This gives you assurances that we are not just "listing" and forgetting the home. We will actively work to market the home effectively daily and update you to deal with any issues that may need to be addressed to ensure the home is rented quickly.

b. Procuring means that MD&A has a prospective tenant with application completed and deposit being held. Tenant must occupy within 30 days of deposit being held, unless owner requests longer period (in situations where the owner has not vacated yet). However, the 90 day period doesn't start until the Owner is within 15 days of vacating. The reason is that homes do not tend to rent until they are either vacant or close to being vacant.

c. If a deposit is/was held, the home is technically off the market; if tenant does not occupy, the time held off the market is not counted towards the 90 day period. If tenant has backed out of the deal, Owner and MD&A shall split the held deposit (called a holding fee) 50 percent each and time starts back once MD&A is notified that the tenant has negated lease.

2. Owner shall price the home according to a current market valuation performed by MD&A. If Owner doesn't agree that MD&A's price is accurate, this addendum shall become void; however, the separate PMA shall be considered valid and enforceable and we will simply market your home as we always do – which is still very aggressive. The fact is, the longer the MD&A sign sits in your yard, the less trust your neighbors have that we can do our job effectively and that leads to less business down the road. We have been in business for nearly 20 years and have not gotten where we are by simply being satisfied with mediocrity.

3. Owner shall make agreed (by both parties) upon necessary improvements as determined by MD&A to make the home fully marketable. Should Owner not agree to such improvements, this addendum shall become void; however, the separate PMA shall be considered valid and enforceable. Again, the theory is that certain objectionable items will delay the home being rented and we cannot be responsible for those. For example, if the walls need paint but you are unwilling to do that, we likely will not offer this option as we know it will take longer to rent. Furthermore, you may not receive the quality of tenants we prefer to lease to.

4. Minimum standards apply:

a. 3+ Bedroom

b. 2+ Bath

c. Minimum square footage of living space must be 1200.

d. Home MUST be within 15 days of vacancy. Time frame doesn't start until then.

e. Central Heat & Air (gas or electric) – NO WINDOW UNITS

f. Rental amounts shall not be lower than \$700 and not higher than \$2000

5. Management fee is a minimum of 10% or \$100/unit, whichever is greater, plus first month's rent (new tenant leasing fee).

6. Should the 90 day period expire, MD&A will credit \$250 to the Owner's account. Further, the new tenant leasing fee shall be reduced to \$595.

Agreed Rental Rate for first 45 days: \_\_\_\_\_ Next 45 days (reduction must be 10%): \_\_\_\_\_

Agreed Improvements to be made:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_

\_\_\_\_\_/\_\_\_\_\_  
Owner date

\_\_\_\_\_  
Mark Downey & Associates, Inc. date