



## Property Management Agreement

This property management agreement is made between \_\_\_\_\_, hereafter called "INVESTOR," and Greater Boise Property Management, hereafter called GBPM. INVESTOR hereby appoints GBPM as exclusive agent for the property located at the address \_\_\_\_\_, hereafter referred to as "PROPERTY," beginning on \_\_\_\_\_ (date).

### Section 1: Scope of the agreement

- ◆ INVESTOR authorizes GBPM:
  - As exclusive agent to act in INVESTOR's or GBPM's name to lease / rent, manage and maintain PROPERTY within all covenants contained in this Property Management Agreement (PMA). GBPM is hereby granted general authority and power as may be necessary to carry out the spirit and intent of this PMA.
  - To initiate and maintain legal action for demised premises and unpaid sums due by tenants.
  - To establish an Operating Account (OA) in INVESTOR's name for deposit of funds and disbursement of expenses pertaining to this PMA, including GBPM's compensation. INVESTOR will maintain a \$200 minimum balance in the OA. GBPM shall deposit into OA any rent payments, security deposits and other funds received by GBPM in connection with PROPERTY no later than 2 business days after receipt of funds.
  - To make and/or supervise repairs, do decorating, purchase supplies, advertise and pay all bills of \$200 or less. GBPM shall not incur any liabilities or pay any funds on behalf of INVESTOR, either individually or in the aggregate, in excess of \$200 without the prior written consent of INVESTOR. Notwithstanding the foregoing, GBPM may exceed this amount in emergency situations to the extent necessary to protect PROPERTY. Financial obligations contracted by GBPM shall be satisfied before any other obligations are satisfied.
  - To retain all interest amounts received by GBPM on OA and security and other deposits except as directed by the State of Idaho
- ◆ INVESTOR shall keep all mortgages, property taxes, association fees, or any other obligations which could lead to a foreclosure action against the property current and paid in full. Should GBPM be notified that a foreclosure action has been initiated against the Property, INVESTOR authorizes GBPM to freeze all INVESTOR related funds to that property and GBPM will not make any further disbursements to INVESTOR. INVESTOR will have 30 days to correct and make all obligations current. Should INVESTOR fail to stop the foreclosure process, INVESTOR authorizes GBPM to release the TENANT from their rental agreement and all future rental payments, refund the security deposit to the TENANT, and deduct from INVESTOR'S funds on hand all amounts due to GBPM or TENANT including, but not limited to, any refund to TENANT of prorated rents or expenses and all management fees and other fees as described within this PMA. Furthermore, GBPM shall charge a monthly breach of contract fee of fifty dollars (\$50) to INVESTOR in addition to regular management fees, while property is in default.
- ◆
- ◆ GBPM shall:
  - Use due diligence to lease / rent the PROPERTY, to enforce collections of rentals and to comply with all other covenants contained in this PMA and the Rent/Lease Agreement (RLA).
  - Manage PROPERTY in conformity with Federal, State, City and County laws, including Fair Housing Act of 1968.
  - Maintain records to properly account for legal and financial obligations and provide a monthly accounting to INVESTOR no later than the 15<sup>th</sup> of each month and an annual accounting no later than January 31 of each year.
  - Perform annual preventative maintenance inspections at the expense (\$50) of the Owner, checking all plumbing and plumbing fixtures, caulking, door stops, dryer vents, smoke detectors and furnace filters. Any expenses exceeding the OA minimum balance will be approved by INVESTOR. Tenant caused expenses will be paid by tenant.

### Section 2: Compensation

- ◆ Investor Account Setup Fee: INVESTOR agrees to pay Account Setup Fee when the PMA is signed to establish the INVESTOR's Account. The Investor Account Setup Fee enables creation of the infrastructure to support the INVESTOR and the PROPERTY.

INVESTOR Initials \_\_\_\_\_

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- ◆ **Property Management Fee:** GBPM will withdraw from the OBA at the end of each month \_\_\_% of the gross collected revenue.
- ◆ **Administrative fee:** If GBPM is asked to administer major projects that require multiple quotes or exceed \$2000, an additional 6% administrative fee will be added. Unusual services such as monthly inspections; property sales; refinancing; preparing PROPERTY for sale or refinancing; obtaining income tax, accounting or legal advice; advising on proposed new construction and debt collection; showing property to real estate agents, inspectors, appraisers or prospective buyers; court appearances will be charged at \$50/hr or as otherwise mutually agreed with INVESTOR.
- ◆ **Returned check charges** paid by the tenants shall first offset any bank charges and the remainder shall then be compensation for GBPM's extra handling and accounting expenses.

### Section 3: Term of agreement

- ◆ **Termination:** This PMA is a month to month agreement. Either party can terminate this agreement with written notice delivered to the other party's Address of Record. The PMA shall terminate 30 days after the first day of the month subsequent to the serving of such notice. The following obligations apply to termination:
  - If INVESTOR initiates termination without cause prior to the termination of a lease entered into by GBPM on behalf of INVESTOR, INVESTOR pays GBPM 5% of the projected gross rents that would have been paid through the end of said lease.
  - If INVESTOR terminates due to a breach of this PMA by GBPM, no additional compensation is due
  - If GBPM initiates termination without cause, GBPM returns the Account Setup Fee to INVESTOR.
  - If GBPM terminates due to a breach of this PMA by INVESTOR, no fees will be returned.
- ◆ **Termination Accounting:** Each party agrees to return all property of the other party on or before the end of the 30 days noted above and within another 30 days provide final accounting and funds to support that accounting.

### Section 4: General Provisions

- ◆ **Ownership:** INVESTOR warrants that INVESTOR is the sole owner of the PROPERTY, or has unconditional authority to execute this PMA on behalf of any Co-Owner and that the PROPERTY is not subject to current legal action or foreclosure and current on mortgage payments.
- ◆ **INVESTOR Move-in:** In the event the INVESTOR wishes to move back into their property requiring the tenant to break their lease, the INVESTOR agrees to pay the termination fee on the tenant(s) behalf and reimburse the outgoing tenant(s) any prepaid rents and any reasonable expenses to have the tenant(s) vacate the property within specified time frame. All other contractual agreements are still in force.
- ◆ **Define Normal Wear and Tear:** Normal wear and tear means the deterioration that occurs based upon the use for which the rental unit is intended and without negligence, carelessness, accident, misuse, or abuse of the premises or contents by the tenants, their family, or their guests. For the purposes of this agreement, GBPM will consider the following items as normal wear and tear. (nail holes used to hang pictures, minor spot painting between tenants, traffic wear in carpet, carpet replacement after 5-7 years, scuffed hardwood floors, sometimes minor cleaning between tenants, worn toilet seats, re-keying or replacement of worn locks, blind replacement due to sun damage or paint flaking, caulking or any other preventative maintenance). (Idaho Code, Section 6-321)
- ◆ **Lead-Based Paint Disclosure:** Housing built before 1978 may contain lead based paint. Lead from paint, paint chips and dust can pose health hazards if not handled properly. Lead exposure is especially harmful to young children and pregnant women. INVESTOR warrants that information on Addendum B - HUD Lead-Based Paint Disclosure is true and accurate to the best of INVESTOR knowledge
- ◆ **Changes to PMA:** GBPM may change the terms under which GBPM is willing to provide services in the future under the PMA, but only by giving at least 30-days advanced written notice to INVESTOR at address of record.
- ◆ **Complete Agreement:** The drafting, execution and delivery of this PMA by the parties have been induced by no representations, statements, warranties or agreements other than those expressed in this PMA. This PMA embodies the entire understanding of the parties and there are no further or other agreements or understandings, written or oral, in effect between the parties relating to the subject matter herof unless expressly referred to in this PMA.
- ◆ **Attorney's Fees:** If either party brings a legal action pertaining to this agreement against the other party, the prevailing party shall be entitled to reasonable attorney's fees to be paid by the losing party.
- ◆ **Assignment:** This agreement shall be for the benefit of and binding upon the heirs, successors and assignees of either party.
- ◆ Should any section or any part of any section of the PMA be rendered void, invalid or un-enforceable for any reason by any court of law exercising competent jurisdiction, such a determination shall not render void, invalid or un-enforceable any other section or any part of any section in this PMA.
- ◆ **Compliance:** This agreement shall be governed by the laws of the State of Idaho.

INVESTOR Initials \_\_\_\_\_

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- ◆ **Independent Contractor Status:** This agreement shall not in any manner be construed to be a partnership agreement and both parties expressly agree that this agreement establishes an independent contractor relationship.
- ◆ **Required Insurance and Negligence and Waiver of Subrogation Rights:** Neither party shall be liable to the other for losses arising out of damage to Property or the contents of the Property included in or insured against by a standard form of fire insurance and general liability insurance policy. All such claims for loss are waived by this agreement. The absence of liability shall exist whether or not the damage is caused by the negligence of either GBPM or INVESTOR or by any of their respective agents, servants or employees. It is the intention of this agreement that the INVESTOR shall look to his insurance carrier for reimbursement of any such losses and that the insurance carrier shall not be entitled to subrogation under any circumstances against GBPM.
- ◆ **Hold Harmless:** INVESTOR agrees to indemnify and hold GBPM and the assets of GBPM free and harmless from any and all claims, liabilities, losses, damages or expenses resulting from or in any manner arising out of the performance of GBPM's duties and obligations hereunder or the exercise by GBPM of any of the powers or authority herein granted to GBPM by INVESTOR. INVESTOR shall reimburse GBPM on demand for any money GBPM is required to payout whatsoever for items covered under this paragraph. The foregoing provisions of this paragraph shall survive the termination of this PMA.
- ◆ **Risk of Loss:** INVESTOR bears all risk of loss or damage to the Property and bears all the cost of any insurance covering the loss or damage to the Property.
- ◆ **Arbitration:** Any controversy or claim arising out of or relating to this agreement, or the breach thereof, shall be settled by arbitration administered by the American Arbitration Association in accordance with its Commercial Arbitration Rules and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.
- ◆ **Address of Record:** Any notice required or permitted to be delivered by this PMA shall be deemed to be delivered when deposited in the United States mail, postage prepaid, registered or certified mail, return receipt requested, addressed to the following address:

INVESTOR

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Phone: \_\_\_\_\_

Email: \_\_\_\_\_

GBPM

Greater Boise Property Management

795 W. Tallulah Drive

Kuna, ID 83634

Phone: 208-629-3451

Email: [mike@greaterboisePM.com](mailto:mike@greaterboisePM.com)

### Section 5: Investor Preferences

#### ◆ Withdrawals:

○ Payment Method: \_\_\_\_\_ Check \_\_\_\_\_ ACH

Check written to: \_\_\_\_\_

Check mailed to: \_\_\_\_\_

ACH Account name: \_\_\_\_\_

ACH Routing number: \_\_\_\_\_

ACH Account number: \_\_\_\_\_

◆ **Statement Method:** \_\_\_\_\_ Email \_\_\_\_\_ Mail

#### ◆ Emergency Contact Information:

**Name:** \_\_\_\_\_ **Phone:** \_\_\_\_\_ **Cell:** \_\_\_\_\_

**Address:** \_\_\_\_\_

◆ **Other Instructions:** \_\_\_\_\_  
\_\_\_\_\_

INVESTOR Initials \_\_\_\_\_

# Property Management Agreement

Signed by:

INVESTOR:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

GBPM:

\_\_\_\_\_  
Signature

Mike Rampelberg  
\_\_\_\_\_  
Printed Name

Principal, Greater Boise Property Management  
\_\_\_\_\_  
Title

INVESTOR Initials \_\_\_\_\_