

OCKSRIDER PROPERTIES, INC.

9201 Montgomery Blvd. NE, Suite 403

Albuquerque, New Mexico 87111

* PROPERTY MANAGEMENT *

505-275-9800

THIS AGREEMENT made this _____ day of _____, 20____, between **Jon Ocksrider**, Qualifying Broker for Ocksrider Properties, Inc., herein after referred to as Agent and, _____ hereinafter referred to as Owner, whose mailing address is: _____ Phone _____

(Home) () (Fax) () (Cell) () Email _____

IT IS AGREED:

Owner shall employ the Agent exclusively to manage the property located at: _____

_____ for an initial term of **Twelve (12)** months, beginning on the _____ day of _____, 20____. Except as provided below, the term on this Agreement shall be automatically renewed from the termination date herein called for unless either Owner or Agent receives written notice of termination at least thirty (30) days prior to said termination date. If such written termination notice is given, this Agreement shall expire at the end of the stated term. Should Owner terminate this Agreement prior to the stated termination date, Owner agrees to pay Agent a sum equal to six (6) months management fees, and tax thereon, based on full occupancy; at time of termination. After the expiration of the initial term on this agreement it will be continued automatically on a month to month basis until termination by either party. Owner shall pay Agent a one-time non-refundable set up fee of \$100. Owner shall pay agent a monthly management fee equal to the greater of \$100.00 minimum OR 10% of all rents collected with respect to the property, plus applicable New Mexico gross receipts taxes thereon. Agent's monthly fees shall be paid from the Owner's funds held in the Agent's Property Management Trust Account without further notice to or consent of the Owner, and shall be in preference to any other property expenses. The monthly fees and tax thereon shall be due and payable upon Agent's receipt and calculation of funds on behalf of the Owner. For purposes of calculating the management fee, the term funds shall include all rents and charges for the use and occupancy of the property including **forfeited deposits**. Owner agrees to place a sum of \$250.00/per property with the Agent to be designated Owner's Reserve Fund. These funds shall be placed in the Agent's Trust Account and shall only be used for the benefit of Owners in circumstances where Owner's funds collected shall be insufficient to cover Owner expenses. Owner agrees to maintain a minimum balance of this amount in Agent Trust Account at all times during the term of this Agreement. Owner authorizes Agent to offer the property for rent for a minimum term on one (1) year. The monthly rental/lease payment shall be \$ **MARKET RENT**, and shall be due and payable in advance on the 1st day of each month. Payments received after the 3rd day of the month shall be accompanied by a late penalty in the amount of \$ 10% OF THE RENTAL RATE. Late penalty and NSF charges become the property of the Agent. The following deposits shall be obtained from the tenants prior to occupancy:

Security Deposit \$ _____ **TBD** **Pet Deposit \$ 100.00 EA.** _____ **Other \$** _____

All deposits shall be held in trust by Agent, and placed in Agent's Trust Account as prescribed by New Mexico Statutes, and disbursed by Agent as stated herein.

IT IS FURTHER AGREED that Agent is specifically authorized by Owner to do the following:

To advertise any vacancy and place rental signs on the property as Agent deems necessary and advisable, and to use its best effort to rent, lease, and manage the property in a business like manner. To collect all rents, security deposits, late charges or other sums payable to the Owner in respect to the property, to endorse checks therefore on behalf of the Owner and shall deposit all such funds in the appropriate Trust Account as prescribed by New Mexico Statutes. To maintain accurate records for and give written account of, all funds received and disbursed on behalf of Owner in compliance with applicable New Mexico Statutes, and will make such records available to the Owner at all reasonable times. Agent shall not be required to provide an independent or certified audit of such records or funds. To arrange for repairs to the property as Agent deems necessary and desirable to maintain the property in a habitable condition consistent with its character and comparable rental properties and as required by applicable New Mexico Statutes. Agent will not, without Owner's prior consent, make or incur any single expenditure for repairs in excess of \$200.00 Notwithstanding the foregoing, Agent may, without the Owner's prior consent, expend funds or incur expenses or take other action the Agent deems necessary to deal with emergencies threatening the safety or property of Tenants. To arrange for necessary utilities to service the property, including water, sewage, garbage disposal, gas and electricity. To employ and enter into contracts with, at the Owner's expense and in the Owner's name, such independent parties as Agent deem necessary to supply services and/or materials as required. To pay all property expenses on behalf of the owner, as described herein, from Owner's funds collected by Agent. The Agent shall not be required to advance any Agent funds to pay property expenses under any circumstances. Property expenses, for the purpose of this Agreement, shall include all expenses incurred related to the operation, management and maintenance of the property whatsoever, including without limitation the following:

- X AGENT MANAGEMENT FEES & COURT COSTS
- X ATTORNEY FEES & COURT COSTS
- X UTILITIES SUPPLIED & PAID FOR THE PROPERTY TO INCLUDE WATER, SEWER & TRASH
- X REIMBURSABLE TENANT DEPOSITS
- X EXPENSE MAILINGS
- X COST OF REPAIRS AND/OR SERVICES, MATERIALS & SUPPLIES FURNISHED TO THE PROPERTY OR TO THE BENEFIT OF THE OWNER.
- X REIMBURSEMENT TO AGENT FOR ANY AGENT FUNDS EXTENDED ON BEHALF OF THE OWNER FOR THE PROPERTY.
- X ALL OTHER EXPENSES NECESSARY TO THE OPERATION AND MAINTENANCE OF THE PROPERTY AS REQUIRED BY LAW.

To disburse Owner's funds received from one or more of the Owner's rental units for the payment of expenses on other rental units of the Owner that are managed by the Agent. To accept rental applications and check credit and prior references of tenant applicants. Agent will not be liable to Owner for collection of losses or errors of judgment regarding a tenant's credit worthiness or desirability. Agent does not guarantee in any manner the profitability of the property. To consult with and advise the Owner with respect to terms and conditions under which the property is to be offered to prospective tenants, and to negotiate, prepare and enter into written lease/rental agreements and renewals with tenants on behalf of Owner, subject to Owner's directed terms and conditions. Agent shall not be expected to practice Law. Where, in Agent's opinion, legal assistance is needed, such assistance shall be obtained by the Agent on behalf of the Owner. The Agent shall not be held liable for the expense of such legal assistance. To use best efforts to collect rents and enforce the provision of any lease of tenancy agreement concerning the property, including service of notices and arranging legal counsel, at the Owner's expense, for the filing and prosecution of lawsuits on behalf of the Owner to collect rents, evict tenants and recover possession of the Property. When Ocksrider Properties makes a court appearance, their will be an attorney fee of \$150.00, court costs (TBD) + tax charged to the owner. We will not charge, however, to place a tenant with unpaid charges into the hands of a collector/and or collection agency, however Owner is responsible

for agency fees. Agent shall not be required to take any action which Agent believes to be in violation of any applicable laws. To settle, compromise and dismiss any rent, collection or eviction dispute. To cooperate with and assist representatives of Owner's insurance carrier with claims investigations. Agent shall not be held responsible for any items or personal property located at the property nor for any acts or omissions of tenants or others causing harm or loss to the property or Owner. To take any other actions, in addition to those specified herein, with respect to the operation and management of the property which the Agent deems to be in the interest of the Owner. Owner acknowledges Agent has not recommended types or amounts or casualty or other insurance which Owner should maintain with respect to the property. Agent is not responsible for arranging, placing or paying for any insurance coverage with respect to the property. Such shall be the sole responsibility of the Owner. Owner agrees to maintain comprehensive public liability insurance with respect to the property in amounts reasonable acceptable to Agent to insure against personal injury, death or property damage claims by tenants or other third parties and to name Agents as an additional insured on such policies. Owner agrees to promptly furnish Agent with copies of all current insurance policies with respect to the property. Except to the extent caused by willful misconduct or gross negligence of Agent or its officers, directors or employees, Owner shall defend and indemnify Agent and its officers and employees against, and hold them harmless for, all damages, claims, loss costs or expenses for, but not limited to: Attorney's fees, court costs, suits, claims by tenants, former tenants or other third parties relating to the property or the operation or management of the property. Agent may defend itself and its officers and employees in any action or negotiations for settlement arising out of such manners, and all expense of such defense shall be reimbursed by Owner immediately upon demand, or may be deducted from the Owner's funds held by Agent. Owner represents that the property complies with all requirements of governmental agencies having jurisdiction with respect to the property. Agent shall not be held responsible for compliance of the property or its equipment or operations with any ordinances, laws, rules, or regulations, except to notify Owner promptly of any complaints, warnings, notices or summonses received by Agent relating to the property. This agreement shall not grant to Agent any ownership interest in the property. After due diligence of trying to locate an owner in regard to a judgment against a tenant, and after a 12 month period has elapsed, the judgment will revert back to Ocksrider Properties. This agreement will be binding upon parties, their heirs, administrators, and legal successors. Thirty (30) day notice in writing will be required to terminate agreement. Either party may terminate this Agreement subject to any of the following conditions:

- X Upon the occurrence of breach of any provision hereof and a failure or refusal by the breaching party to cure same within ten (10) days after receipt of written notice of such breach.
- X Upon sale of property, Owner shall give Agent thirty (30) day advance written notice of closing date of sale.
- X Upon appearance to the Agent that the property or any equipment therein, or acts of Owner fails to comply with applicable law, and Owner, after notice of such non-compliance, fails to remedy such.
- X Upon belief by Agent that any act or failure to act on the part of Owner may result in damage or liability to Agent.
- X Upon death or mental incompetence of Owner or Agent.
- X Upon insolvency or commencement of any proceedings in bankruptcy by, or against, Owner or Agent.
- X Upon destruction of the property, provided the Owner does not rebuild or replace the property.

Termination of this Agreement shall simultaneously release both Agent and Owner from their future responsibilities hereunder as of the effective date of such termination. Termination of this Agreement shall not be deemed a waiver of any pre-existing right of either party nor pre-existing breach, and shall not terminate or release any liability of Owner for any indemnity, reimbursement payment or other obligation hereunder which arose, or is based upon any facts existing, prior to termination, whether asserted or not asserted by Agent prior to termination. Any notices required under this Agreement shall be in writing and shall be delivered or mailed to the parties at the address of such party as stated herein. Should either party change address, such party shall give written notice to the other party within ten (10) days of such change. Nothing contained in this paragraph shall invalidate any verbal instructions or directions given by Owner by Agent, and Agent shall be entitled to rely upon any such verbal instructions or directions. Owner is to pay 3% sales commission to Agent if the property is sold to the tenant installed by Agent. If property is listed by Agent and vacant, 6% sales commission shall be paid to Agent by Owner. Property can be listed with another Agent of Owner's choice if vacant and property management contract is terminated.

It is also agreed that Agent will not oversee any major renovations, roof replacements, full stucco installations, landscape replacement/installations, sewer replacements, faulty foundation nor will Agent negotiate with Owner's insurance company regarding any claims. At Agent's discretion, Agent will have the right to immediately discontinue property management services for any property placed for sale. At onset of this agreement, property will be "rent ready", unless already occupied by a tenant. If not "rent ready" and available for immediate occupancy as deemed by Agent, Owner shall pay Agent \$450 to acquire estimates for making the property "rent ready". This fee is above and beyond the cost to make the property "rent ready" and is a handling fee.

ADDITIONAL AGREEMENTS:

Owner will () will not () allow pets

Owner statements will be processed by the 25th of each month.

Utilities provided by Owner:

This Agreement shall be binding upon and inure to the benefit of the successors and assigns of Agent and the heirs, administrators, personal representatives, successors and assigns or Owner. This Agreement is the entire agreement between the parties with respect to the subject matter hereof, and no alteration, modification, waiver or interpretation hereof shall be binding unless in writing and signed by the party against which it is asserted. This Agreement shall be interpreted and enforced in accordance with New Mexico Statutes. If a court of competent jurisdiction determines that any provision of this Agreement is invalid, the remaining provisions hereof shall continue in full force and effect.

Owner: _____ Date: _____

Owner: _____ Date: _____

Social Security Number _____

By: _____ Date: _____

Agent for OCKSRIDER PROPERTIES, INC. _____, Qualifying Broker

OCKSRIDER PROPERTIES, INC.

*** PROPERTY MANAGEMENT ***

9201 Montgomery Blvd. NE, Suite 403 * Albuquerque, New Mexico 87111
(505) 275-9800, Fax (505) 271-1311

PROPERTY MANAGEMENT ADDENDUM NO. 1

1. INSURANCE

OWNER AGREES TO MAINTAIN ADEQUATE PUBLIC LIABILITY INSURANCE, AND TO HAVE OCKSRIDER PROPERTIES, INC. NAMED AS ADDITIONALLY INSURED ON THAT POLICY. THERE IS NO CHARGE TO YOU IN DOING SO AND PROVIDES PROTECTION TO ALL PARTIES CONCERNED. OWNER SHALL CONTACT INSURANCE AGENT IMMEDIATELY AND ASK THEM TO FAX A COPY OF THE DECLARATIONS PAGE TO US AT (505) 271-1311 OR IF YOU WISH, YOU MAY ALSO FORWARD A COPY OF THE DOCUMENT TO US BY MAIL.

OWNER

OWNER

PROPERTY MANAGER, OCKSRIDER PROPERTIES * 9201 MONTGOMERY BLVD NE STE 403, ALBUQUERQUE, NEW MEXICO 87111* (505) 275-9800