

Property Owner or Co-Owner:

Property Street Address:

**1. RESPONSIBILITIES AS PROPERTY MANAGER**

The property owner (or its legal representative) has retained Spruce Quality Rentals as its property manager for the property referenced above. The property owner(s) authorize(s) SQR to perform the following services:

▪ rental analysis	▪ day to day management
▪ coordinating rehab	▪ lease enforcement
▪ marketing	▪ inspections
▪ advertising	▪ monthly accounting
▪ open houses/showings	▪ owner draw preparation
▪ tenant screening	▪ annual re-leasing
▪ lease preparation	▪ coordinate maintenance

**2. MONTHLY MANAGEMENT FEE**

The property owner agrees to pay SQR a monthly management fee as described below:

ALL SINGLE-FAMILY RESIDENTIAL HOMES, INCLUDING CONDOS, TOWNHOMES	8% OF GROSS RENTS
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Additional Fees property management company retains Include:

Tenant take-over fee: \$95.00	leasing fee: 65% of first month rent
Lease renewal fee: \$150.00	Annual inspection fee: \$150.00(optional)
Annual 1099 Prep Fee: \$50.00	First 30 days termination fee: \$500.00
	Rehab Oversight Fee: T.B.D.
Pet Fee	Late Fee

**2A.** Reoccurring inspections, representation at court hearings, depositions, homeowner meetings, insurance claim paperwork, City or County inspections and any other exceptional building, property or resident related events are not covered by the monthly management fee and will be agreed upon at the time of occurrence.

### **3.ACCOUNTING AND REPORTING**

- A. Accounting shall be conducted for one-month periods, and each accounting month shall begin on the 1<sup>st</sup> day of each month and end on the last day of each month.

By the 15<sup>th</sup> day of each month, shall furnish Owner with a statement of receipts and disbursements from the operation of the Property during the previous month.

- B. All Owner monies will be held in a trust account, along with monies from other property owners that SQR manages properties for. This trust account is separate from SQR 's own operating account. All disbursements for the operations of the property shall be handled through the owner trust account.

### **C. SECURITY DEPOSIT**

The tenant's security deposit shall be held in SQRs separate trust account with all other tenant deposits. The deposit will be held until tenant vacates and a portion of its return to tenant and owner is determined.

### **4.MAINTENANCE**

Owner authorizes SQR to make any payments to vendors for maintenance, repairs or improvements without the prior consent of owner as long as that payment does not exceed \$300. For any maintenance, repairs or improvements that exceed that amount, SQR shall obtain approval from Owner and two to three bids if necessary. The only possible exception to the above could be water heater, HVAC, or roof repair which are all potential emergency issues. All maintenance requests are screened by SQR's Maintenance Manager. All vendors used by SQR provide a volume discount for their service that are passed on directly to the owner.

### **5.INSURANCE**

SQR carries liability insurance.

### **6.IDEMNITY/SAFE PROPERTY**

- A. Except for the willful misconduct of management, Owner agrees to indemnify, defend and hold SQR harmless against all costs, expenses, attorney fees, suits or damages during the term of this agreement or after its termination.
- B. Owner is obligated to disclose to SQR any known condition that affects the health or safety of a tenant.

### **7.FAIR HOUSING**

A. Owner and SQR understand that state and federal housing laws prohibit discrimination in rental housing. SQR abides by the letter and intent of these laws.

B. Owner understands that state and federal law governs service/comfort animals. These animals are not legally considered pets and therefore pet policies do not apply. SQR shall have full authority to review, approve, negotiate or decline any service/comfort animal requests.

## **8. TERM BETWEEN PARTIES**

This Agreement shall be in effect on a yearly basis from the day of signing. If the property is currently occupied by a tenant, the first month's management fee will be pro-rated from the day of signing until the end of the month. If the property is vacant, the first month's management fee will be pro-rated based on the lease signing date. Either party can terminate this agreement upon 30-day notice.

## **9. 30 DAY LEASING GUARANTEE**

SQR guarantees a tenant lease will be signed within 30 days of the first day of marketing the owner's vacant home or first two month's management fees will be waived. Owner and SQR must agree on the rental price and the property must be advertised "Small Pet Negotiable."

## **10. ON TIME OWNER RENT GUARANTEE**

SQR guarantees owner draw to be released by the 15<sup>th</sup> of each month or sooner. If the owner draw is dispersed past that date, SQR will provide the following month's services free of charge.

## **11. EVICTION GUARANTEE**

Should a tenant placed by SQR ever needs to be evicted, SQR will cover all legal and court expenses up to \$2,000.00

## **12. PET GUARANTEE**

Should a pet screened and placed by SQR ever cause damage that exceeds the security deposit, SQR will reimburse to owner that damage amount up to \$2,000.00 per pet.

## **13. LEASE RENEWAL**

Approximately 60 days prior to the lease expiring, SQR will perform a property inspection, rent analysis and lease renewal. If Owner does not want the lease renewed, Owner must notify SQR 70 days prior to the lease expiration date.

**14. DISPUTE RESOLUTION**

In the event legal action is used to enforce this agreement, the prevailing party shall be entitled to receive attorney fees and other litigation expenses. For purposes of jurisdiction and venue, the Agreement is entered onto in wake county, North Carolina.

**15. ADDITIONAL TERMS**

All terms and conditions are subject to change by the agent with a 30-day notice to Owner. SQR may assign its rights and duties under this agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date first set forth above.

**SQR BROKER:**

**OWNER:**

**OWNER:**

\_\_\_\_\_  
(Signature)  
Iris Lee(Broker)  
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(Printed Name)

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