



**1st. Capitol
Realty & Management Co. L.L.C.**
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MANAGEMENT AGREEMENT

THIS AGREEMENT is made this ___ day of _____, 200__ by and between 1st. Capitol Realty & Management Co. L.L.C. (referred to as **AGENT**) and _____ (referred to as **OWNERS**) to secure the services of the Agent in the Management of the real property located at _____

(Hereinafter referred to as the **PREMISES**), subject to the following terms and conditions.

1. EMPLOYMENT & AUTHORITY OF AGENT:

- (A.) The owners hereby appoint 1st. Capitol Realty & Management Co. L.L.C. As their sole and exclusive agent to rent, lease, manage and operate the premises.
- (B.) For this purpose, The Agent is authorized to secure the services of other Real estate brokers upon terms approved by Owner/or standard and usual in the community, advertise, and post rental signs on property.
- (C.) The Agent is empowered to sign leases on the Owner’s behalf, and to Enforce the provisions of same, and to institute legal action or other proceedings to collect rents and other sums due, and to dispossess Tenants and other persons from the premises.
- (D.) It is understood and agreed that 1st. Capitol Realty & Management Co. L.L.C. is the procuring cause of any lease, written or oral that may be Negotiated either directly or indirectly by the owners themselves.

2. SPECIFIC AUTHORITY ON REPAIRS AND ALTERATIONS:

The owners authorize the Agent to perform the following services, by their Election of one of the following options:

Option - A ()

Except under circumstances which the Agent shall reasonably consider to Constitute an emergency, the Agent will record all requests for repairs, alterations, decorating, or services and will refer same promptly to the Owner, and where upon the responsibility for completion of said repairs will rest with the Owner alone.

Option - B (X)

The Owners authorize the Agent to purchase necessary supplies; to contract for utility services as needed, including pest control, trash removal and other services which the Agent shall deem advisable; and to make ordinary repairs, alterations or decorations to the premises, provided that the cost for any one item shall not exceed the sum of \$ **200.00**, without the express written consent of the Owner, unless the Agent shall consider the circumstances surrounding the request for repairs or services to be an emergency and prior Owner consent is not readily attainable. The Agent will use diligence in contracting for repairs and other services, and will have the right to hire, discharge, supervise and pay any employees, servants or

contractors for work performed. The Agent will not be liable to the Owner for any act or omission on the part of such employee or other workman, if the Agent has taken reasonable care in their employment.

3. **RESPONSIBILITIES OF THE AGENT:**

In addition to the forgoing authorizations, the Agent will perform the following functions on the Owner's behalf:

- A.) Collect all the rents and income due from tenants when such amounts become due, and deposit same into Brokers Trust Account held in the State of Arizona. Withdraw from such account all funds needed for proper disbursements for expenses payable by Owner including, without Limitation, the Agents compensation.
- (B.) Collect security deposits under any lease and place same into trust Accounts as may be required by law.
- (C.) Maintain accurate and complete accounting records of all receipts and Disbursements, and to submit at least once a month a written statement to the Owner indicating collections and expenses, along with copies of paid bills.

4. **RESPONSIBILITIES OF THE OWNER:**

- (A.) Owner shall pay for all advertising expenses for the purpose of renting the property.
- (B.) Owner shall pay for any legal fees or expenses incurred on the Owner's Behalf by Agent for the purpose of eviction proceedings.
- (c.) Owner shall be active in the planning of the rent schedule and qualifying of potential tenants.

5. **COMPENSATION OF THE AGENT:**

In consideration of the services to be rendered by the Agent, the Owner agrees to pay the Agent any or all the following forms of compensation as may be applicable:

- (A.) FOR MANAGEMENT- a fee equal to ____ percent of all rent and other income from the premises, including any and all sums collected under any lease. Tenant's deposits may be held in a separate interest bearing account as allowed by the Department of Real Estate. Interest earned will be considered part of management fees earned. There shall be no minimum management fee charge for vacant property.
- (B.) LEASE CHARGES- late charges, uncollectible check charges, and application fees paid by tenants under any lease are the property of the Agent to offset the Agent's expenses in enforcing the respective lease provisions.
- (C) If this contract is terminated by the OWNER at any time after the property has been rented, OWNER owes AGENT the management commission for the remainder of any existing leases.

6. **INDEMNIFICATION:**

The Owners shall hold the Agent harmless from all suits for damages in connection with the proper management of the premises, and from liability for injuries suffered by any person while on the premises.

7. **DUE AGENT AMOUNTS:**

In the event that the Agent advances personal funds to make payments for expenses incurred on the Owner's behalf, and said funds are not reimbursed by the Owner, either by deduction from rents collected

and/or payment by the Owner, then the Agent will be entitled to a fee of **1.5 %** per month of the monies Expended and not reimbursed within 15 days after written submission by Agent of the amount due.

8. TERM OF AGREEMENT:

After an initial trial period of sixty days, during which time this Agreement can be terminated by either party at will, this Agreement will remain in effect from **January 1, 200** and expire on **December 31, 200** This agreement will automatically renew for a period of 2 years from the expiration date unless written notice is given by either party. Either party may terminate this Agreement during the term of this agreement by giving a written 30 day notice of termination to the other party 30 days prior to its expiration.

9. VOLUNTARY CANCELLATION BY AGENT:

Notwithstanding any other provisions of this Agreement, the Agent may elect to cancel this Agreement upon the occurrence of any of the following circumstances:

- (A.) In the event of a bona fide sale or demolition of the premises.
- (B.) If a petition for bankruptcy is filed by either the Owner or the Agent, or if either party shall make an assignment for the benefit of creditors or take advantage of any insolvency act.
- (C.) If the Owner shall fail to comply with any rule, order, determination, Ordinance or law of any federal, state or local authority, relating to the operation of the premises.

Notice of voluntary cancellation by the Agent must be sent to the Owner in writing at least 30 days prior to cancellation.

VOLUNTARY CANCELLATION BY OWNER:

- Owner may elect to cancel this agreement upon any of the following:
- a. Bonafide sale or transfer or demolition of any portion of the premises;
 - b. Agents violation of any obligation hereunder or under AZ. law.

10. BINDING AUTHORITY:

This Agreement shall be binding upon the heirs, administrators, executors, successors and assigns of the Owner. Broker cannot assign this agreement without express written consent of the Owner.

11. Other Terms or conditions: _____

Owner hereby warrants and represents to Agent that: (1) Owner is the owner of record of the Property or has legal authority to execute this Authorization on behalf of such owner, (2) no person or entity has any right to lease the property therein by virtue of any agreement, option or right of first refusal, (3) there are no delinquencies or defaults under any deed of trust, mortgage or other encumbrance on the Property, the Property is not subject to the jurisdiction of any court in any bankruptcy, insolvency, conservatorship or probate proceeding

By: _____
Owner SS # or FED I.D. Date

By: _____
Owner SS # or FED I.D. Date

Address _____ City _____ State _____ Zip Code _____
Home Telephone: _____ Office telephone: _____

By: _____
Art Garcia - Designated Broker for 1st Capitol Realty & Management Co. L.L.C. Date: _____

Property Description & Emergency Information

Prepared as of _____
Property Address: _____, Tucson, AZ
857 _____
Age of Property: _____ Condition _____
Owner's name _____
Address _____

Office phone _____ Home phone _____ E-mail _____

Name/ Contact Person	Phone
A. Attorney _____	_____
B. Electrician _____	_____
C. Insurance Agent _____	_____
D. Landscaper _____	_____
E. Plumber _____	_____
F. Pool Service _____	_____
G. Rooter Service _____	_____

Location of Circuit Breakers _____
Water turn off _____
Gas meter _____

1. Credit information to be paid by Tenant _____
2. Mortgage payments, taxes, insurance, association dues and pool service to be paid by Owner.
3. Utilities to be paid by Tenant _____ Owner _____ Agent for Owner _____
4. Water to be paid by Tenant _____ Owner _____ Agent for Owner _____
5. Authorized Security and Redecorating Deposit _____
6. Pets allowed _____
7. Term of lease: Minimum _____ Maximum _____
8. Authorized gross monthly rent: Minimum _____ Maximum _____
9. Items under Warranty: _____
10. Home protection plan: Company _____ Phone # _____ Policy # _____

Notes _____

By: _____
Owner SS # or FED I.D. Date

By: _____
Owner SS # or FED I.D. Date

Home Telephone: _____ Office telephone: _____

By: _____
Art Garcia - Designated Broker for 1st Capitol Realty & Management Co. L.L.C. Date