

1 DAVILA Real Estate Solutions, LLC
2 8218 E. Madera Dr., Sierra Vista, AZ 85650
3 (520) 234-7009

4 Property # _____
5

6 **PROPERTY MANAGEMENT AGREEMENT**
7

8 The Undersigned Owner hereby employs the undersigned Broker exclusively to rent, lease, operate and
9 manage the real property located in Cochise County, State of Arizona, described as follows:

10 Address: _____
11

12 Tax Parcel number and Legal Description: _____
13
14 _____
15

16 Described as: _____
17
18 _____

19 Hereinafter described as the Premises.
20

21 **BROKER'S OBLIGATION**
22

23 Owner hereby confers upon the Broker the following duties, authorities and powers, any or all of which
24 may be exercised in the name of the Owner and Owner agrees to assume all expenses in connection
25 therewith. Both parties agree that the Owner shall be considered an active participant in the
26 management of the Premises, including but not limited to: approving tenants, establishing rental terms
27 and approving expenditures as provided below.
28

29 **LEASING:** To advertise the availability for rent of the Premises or any part thereof and to display
30 "FOR RENT" or "FOR LEASE" signs thereon, to execute leases for terms not to exceed one year, to
31 cause referenced of prospective tenants to be investigated, to execute renewals or cancellations of leases
32 relating to the Premises and to prepare and execute new leases without additional charge to the Owner
33 (except for tenant placement fee), provided however, that the Broker may collect from Tenants all or any
34 of the following: **late rent administrative charges, a non-negotiable check charge, credit report fee,**
35 **sublease administrative fee, re-leasing fee, redecorating/inspection fee.** To terminate tenancies and
36 to sign and serve for the Owner such notices as Broker deems appropriate, to institute legal actions in
37 the name of the Owner, to evict tenants and recover possession of the premises, to sue for and recover
38 rents and other sums due; to settle, compromise and release such actions or suits, or to reinstate
39 tenancies. Owner is aware, that Broker makes no guarantee of locating (a) tenant(s).
40

41 **RENTS:** To collect rents and to collect and disburse security and other deposits; to deposit all receipts
42 collected for Owner in the Broker's trust account with a qualified banking institution located in the State
43 of Arizona. Broker shall not incur any liability for bankruptcy or failure of the depository. To hold a
44 trust account and to refund tenant's security deposits at the expiration of leases in compliance with the
45 law and provision under the lease agreement. Tenant's security deposits may be placed in interest
46 bearing accounts, whereas the interest shall be retained by the Broker.

47 **MAINTENANCE, SERVICE CONTRACTS, REPAIRS:** To employ, supervise and discharge all
48 labor requirements for the operation and maintenance of the Premises, it being agreed that all employees
49 shall be deemed the Owners employees. To execute contracts for utilities and service for the operation,
50 maintenance and safety of the Premise, as the Broker shall deem advisable and/or necessary. To take
51 charge of repairs, decorating and alterations necessary to preserve the Premise in its present condition.
52 To purchase supplies and pay all bills. Broker agrees to obtain Owner's prior written authorization for
53 any and each expense item in excess of \$300.00 with the exception of monthly or recurring operation
54 charges or emergency repairs. Broker reserves the right to approve expenditures in excess of this amount
55 for the protection of the Premises from damage or to perform services for the tenants as provided for in
56 their lease, or as may be required under the provisions of the Arizona Residential Landlord Tenant Act.
57

58 **DISBUREMENTS:** To accrue and make disbursements from Owner's funds as directed by Owner
59 from time to time. Monthly Owner proceeds to be disbursed directly to Owner or to Owner's bank
60 account, as directed by Owner. Owner's monthly proceeds to be disbursed between the 5th and 10th of
61 each month.

62 **OWNER'S BANK INFORMATION:** Deposit Owner's proceeds directly into Owner's Bank
63 account.

64 **BANK NAME:** _____ **ACCOUNT#:** _____

65
66 *Preprinted deposit slips are required. If they are not provided the Owner's proceeds check will be*
67 *mailed to Owner.*

68
69 **PERIODIC STATEMENTS:** To Render periodic itemizing statements of receipts, expenses, charges
70 and accruals and to remit to Owner receipts, less disbursements and accruals for future expenses. In the
71 event disbursements shall exceed receipts, Owner shall promptly remit such shortage to the Broker.
72 Owner assumes full responsibility for the payment of any expenses and obligations incurred in
73 connection with the exercise of Broker's duties as set forth herein. Nothing herein shall obligate Broker
74 to advance Broker's own funds on behalf of the Owner. Statements shall be rendered monthly. Annual
75 summary statements for any given year will be mailed not later than 31 January of the following year,
76 together with the payee's copy of I.R.S. for 1099 Misc.
77

78 **OWNER'S OBLIGATION:** Owner agrees to pay Broker a fee or fees for services rendered at the
79 rates hereinafter set forth. Owner recognizes Broker as Agent in any negotiations relative to the
80 premises or any part thereof, and upon close of any lease, sale, exchange or transfer, in any manner
81 whatsoever, shall compensate Broker in accordance with rates hereinafter set forth. Such compensation
82 is due and payable on demand and may be deducted by the Broker from receipts.
83

84 **MANAGEMENT/LEASING FEE:** Ten percent of gross monthly rental amount. There will be no
85 management fee when the premises are vacant.
86

87 **TENANT PLACEMENT FEE:** Owner agrees to pay a \$50.00 placement fee for a minimum 6 months
88 lease payable from the first month's rent received.
89

90 **SALE OR EXCHANGE:** Six percent of the gross sales price. If a lease agreement or contract for sale,
91 exchange or transfer, in any matter whatsoever, of the premises is made within 45 days after termination
92 of this authorization, with persons with whom Broker shall have negotiated during the hereof and whose

93 names Broker shall have submitted in writing to Owner within ten days after termination of this
94 authorization, the same fee shall prevail. If Owner should list property with any other company other
95 than DAVILA Real Estate Solutions LLC this Management Agreement will terminate immediately.
96 Owner agrees to pay to Broker a leasing fee, a sum equal to nine percent of balance of rent due to Owner
97 under said lease. Said payment shall be due and payable to Broker by Owner upon termination of the
98 Management Agreement.
99

100 **ALTERATION, REMODELING, REDECORATION:** Charged on a case by case basis at the
101 current rate of consultation charged by Broker.
102

103 **HOLD HARMLESS:** Owner agrees to hold the Broker harmless from all damage suits in connection
104 with the management of the herein described premises and from liability from injury suffered by any
105 employee or other person whosoever and to carry, at own expense adequate public liability insurance
106 fire and extended coverage and property damage insurance and to furnish Broker certificates evidencing
107 the existence of such insurance. The Broker also shall not be liable for any error of judgment or for any
108 mistake of fact or law or for anything which he may do or refrain from doing hereunder, except in cases
109 of willful misconduct or gross negligence. If a suit is brought to collect the Broker's compensation and
110 the Broker is the prevailing party, or if Broker successfully defends any action brought against Broker
111 by Owner relating to the Premises or Broker's management thereof, or any lease or transfer the of
112 Owner agrees to pay all cost incurred by Broker in connection with such action, including, but not
113 limited to reasonable attorney's fees. Attorney fees and court cost incurred by broker to enforce the
114 provisions of any lease are the sole responsibility of the Owner. Owner further agrees to pay, without
115 limitation as to amounts, attorney's fees and associated court cost for counsel employed to represent the
116 Owner or Broker or both, in any proceeding or suit involving an alleged violation by the Broker or
117 Owner, or both of any constitutional provision, statute, ordinance, law or regulation of any
118 governmental body pirating to Fair Employment, Federal Credit Reporting Act, Fair Housing Act,
119 Environmental Protection Act, Non-Discrimination Laws, or Arizona Residential Landlord Tenant Act.
120 Owner further agrees to indemnify, defend and save Broker harmless from all claims, investigations, and
121 suits with respect to any alleged or actual violations of State or Federal labor laws, it being expressly
122 agreed and understood that as between Owner and Broker, all persons employed in connection with the
123 operation for the Premises are Employees of the Owner and not the Broker.
124

125 **DATA AND RECORDS:** Owner agrees to make available to Broker all data, records and documents
126 pertaining to the rental premises which the Broker may require to properly exercise his/her duties
127 hereunder, including, but not limited to: property tax parcel number and information. Owner's taxpayer
128 I.D. number and owner/landlords insurance policy information. Broker shall not be liable for any loss
129 that the Owner may incur by reason of the Broker not having correct and current information on hand.
130

131 **LATE CHARGES:** Broker may charge a late fee if rent is paid after the due date. Late fees are paid to
132 the Broker by the Tenant and are not paid to the Owner or by the Owner.
133

134 **RE-LEASING FEE:** Broker may charge tenant a re-leasing fee if tenant vacated the premises at any
135 time during the term of the lease. Leasing fees are paid to the Broker by the tenant and are not paid to
136 the Owner or by the Owner. Leasing fees and late fee will be deducted from tenant funds held by
137 Broker, after deduction of funds due to Owner such as delinquent rent or reimbursement for repairs or
138 cleaning.

139 **REDECORATING AND INSPECTION FEES:** Broker may charge a redecorating/inspection fee to
140 the tenant. Said fee is paid to the Broker by the Tenant and is not paid to the Owner or by the Owner.
141

142 **OWNER OCCUPANCY:** Owners are aware that their future occupancy of the premises is always
143 subject to the terms of the current lease agreement. Leases are normally negotiated for periods of
144 approximately one year with each new tenant. It is the Owner's responsibility to be aware of the
145 expiration dates of current leases and to provide Broker with adequate notice when Owner desires that a
146 lease not be renewed, or extended, or that no new leases be written.
147

148 **OWNER'S DEPOSIT:** A deposit of three hundred dollars will be maintained in the Owner's account
149 at all times, with deficits to be paid from monthly proceeds or deposit from the Owner as determined by
150 the Broker. If Broker is paying mortgage payment(s) on behalf of the Owner, Owner is aware that
151 Owner's funds sufficient to pay said payments, excluding rents due, should always be made available no
152 later than the due date of the payment. If Owner's funds sufficient to pay mortgage payment(s) are not
153 available on the due date, Broker will not be liable for any late payment charges or any other penalty
154 which may accrue. Owner is aware that, except in the case of cash or cash equivalents, receipts of funds
155 from tenants may not be used until after the expiration of a time period in accordance to trust account
156 regulations. Therefore rents due on the first of any month may not be used to pay the mortgage
157 payment(s) due on the first of any month, but should be allocated to funds to be used for the mortgage
158 payment(s) due on the first of the following month.
159

160 **BANKRUPTCY:** If bankruptcy proceedings, whether voluntary or involuntary are commenced against
161 either Owner or Broker, or if either party enters into a compensation agreement with its creditors, either
162 party may terminate this agreement by giving 30 days written notice to the other party.
163

164 **MISCELLANEOUS:** Prior to occupancy by initial tenants the carpets will be professionally cleaned at
165 Owner's expense and will be professionally cleaned at tenant's expense subsequently. In addition, the
166 following costs will be deducted from Owner's account as required; treatments for insect infestation;
167 carpet cleaning; house cleaning, removal of trash and debris from the premises.
168

169 **AVAILABILITY OF PREMISES:** Start date of availability _____
170

171 **RENT AMOUNT:** \$ _____ **MINIMUM RENT AMOUNT:** _____
172

173 **MAILBOX #:** _____
174

175 **TERMS:** This Management Agreement shall commence on _____ and shall
176 expire at noon on _____. This Management Agreement may be
177 canceled by either party prior to the expiration date specified above with not less than a 30 day written
178 notice delivered by certified mail to the other party. Should a lease executed by Broker as management
179 agent extend beyond the termination date of this Management Agreement and Owner does not elect to
180 renew this agreement, or if this Management Agreement is canceled by the Owner, Owner agrees to pay
181 Broker a leasing fee, a sum equal to nine percent of the balance of rents due Owner under said lease.
182 Said payment shall be due and payable at the time the cancellation notice is received by Broker.
183 Tenant's funds held in trust, including but not limited to: security deposit, shall upon termination or
184 expiration of this management agreement be paid directly to tenant and it shall be Owner's

185 responsibility to re-collect deposits from tenant. This agreement has been made and entered into in the
186 State of Arizona and the laws of this State shall govern the validity and interpretation of this agreement
187 and the performance due hereunder. In the event of a dispute between Owner and Broker, the prevailing
188 party will be entitled to recover their attorney's fee. Owner and Broker agree that any and all disputes
189 will be resolved by arbitration as opposed to litigation.
190

191 **ACCEPTANCE:** The Broker accepts this exclusive employment and agrees to use due diligence in the
192 exercise of the duties, authorities and powers conferred Broker under the terms thereof. This agreement
193 shall be binding upon the successors and assigns of the Broker and the heirs, administrators, executors,
194 successors, and assigns of the Owner. Broker cannot assign this Management Agreement without prior
195 written consent of the Owner. Time is of the essence. Receipt of a copy hereof is hereby
196 acknowledged.
197

198 **DAVILA** Real Estate Solutions, LLC
199 Property Management
200 8218 E. Madera Dr.
201 Sierra Vista, AZ 85650
202 (520) 234-7009
203 E-mail: davila@theriver.com
204

Date: _____

Germaine Davila
Property Manager/Broker

205 _____
206 Owner's Name (Print)

Owner's Name (Print)

207 _____
208 _____
209 Owner's Signature

Owner's Signature

210 _____
211 _____
212 Street Address

City State Zip

213 _____
214 _____
215 Home Phone Work Phone

Cell Phone

216 _____
217 _____
218 Owner's e-mail address:

219 _____
220 _____
221 Owner's SS# or Fed. Tax I.D. #

222 _____
223 Pets Allowed with pet deposit: _____ Cats only: _____ Dogs only: _____
224 _____ No Pets allowed (assistive only)