

MANAGEMENT AGREEMENT

1 **PARTIES TO THE CONTRACT:**

2 In consideration of the covenants herein contained the parties to this agreement are: _____

3
4 (here after called Owner) and SYNERGY Property Management, LLC (hereinafter called "Agent"), agree as follows:

5
6 **TRANSACTION BROKER:**

7 The Owner hereby employs the Agent exclusively to rent, lease, operate and manage the property known as: _____

8
9 upon the terms hereinafter set forth. As a Transaction Broker the agent does not represent either the Owner or the Tenant in a
10 fiduciary capacity as agent, but assists the owner and tenant separately in all transactions. A Transaction Broker has the duty to act
11 fairly and honestly with both Owner and Tenant, but does not owe fiduciary duties to either side.

12
13 **TERMS:**

14 The Owner hereby employs the Agent for an indefinite term to be assumed and held binding unless terminated by either party with
15 a 30 day written notice. At no time will a verbal termination be considered final. Termination without notice for substantial cause
16 (e.g. established failure to perform per terms) may be made at any time. However, if Owner chooses to cancel this contract without
17 cause within 90 days of inception, Owner will pay a \$100.00 cancellation fee in addition to all advertising costs incurred as well as
18 any other fees due to Agent.

19
20 In the event the owner terminates this agreement without cause, as hereto provided, Agent shall be entitled to compensation at the
21 rate of 12% of remaining rents due on leases put into effect during the term of the agreement, said fees to be paid to Agent before
22 termination becomes effective.

23
24 If the Broker determines that she/he cannot continue to effectively provide leasing and management services to owner for any
25 reason at any time during this agreement Broker may terminate this agreement by providing a 30 day written notice to Owner.

26
27 **AGENT EMPLOYMENT AND RESPONSIBILITIES: RENTING OF PREMISES/MONTHLY STATEMENT/SEPARATE OWNER FUNDS**

28 The Agent accepts the employment and agrees:

29 a) Disperse funds and provide statements:

- 30 1) To use diligence in the management of the premises, upon the terms herein provided, and agrees to furnish the
31 services of the Agent for the renting, leasing, operating and managing of the herein described premises.
32 2) By approximately the 25th of each month, if the property is leased, the Agent agrees to send the owner a proceeds
33 check minus any expenses that have occurred within the last thirty (30) days to bring the account current and payable. In
34 the event the disbursements shall be in excess of the rents collected by the Agent, the proceeds will be deducted from the
35 owners operating account. If the operating account is insufficient to cover these costs, the Owner hereby agrees to pay
36 such excess promptly (within ten business days) of notification from the agent.

37 b) Service fees for negative balance accounts:

38 **If the Owner owes funds to Synergy Property Management, LLC and they are not repaid within the 10 business**
39 **days, a finance charge of 1.5% per month will be added to the total owed. In case of dispute and/or Owner is**
40 **carrying a negative balance on the books the Agent shall be entitled to recover from the Owner all expenses**
41 **associated therewith, i.e. court costs, attorney fees, collection agency fees, lost time to Agent fees, etc. In**
42 **addition, a lien may be placed on the property for these expenses.**

43 NOTE ** In order to prevent the Owner from having to repay disbursed funds if the tenants check is returned, SYNERGY
44 Property Management may not disburse funds to the Owners until at least fifteen (15) full business days after depositing
45 tenants monthly rent check.

46 c) Debts not paid by SYNERGY Property Management:

47 The Agent does NOT pay mortgage indebtedness, property taxes, insurance premiums, Home Owners Association dues,
48 special assessments, etc. If the OWNER has a need for these services, please make special arrangements with the
49 Agent. The **Owner is advised to always be at least one month ahead in these payments** since funds disbursement to
50 the Owner can not be depended upon until the third week of the month.

51 d) Funds held in escrow:

52 To deposit all receipts collected for Owner (less any sums properly deducted or otherwise provided herein) in an
53 Operating Trust Account in an FDIC insured bank qualified to engage in the banking business. Account to be separate
54 from Agent personal account. However, Agent will not be held liable in event of bankruptcy or failure of depository. Any
55 interest accrued on accounts will be semi-annually donated to charity of the agents choosing, primarily for food and
56 clothing assistance for the less fortunate.

57 Any and all security deposits and pet deposits will be held in a separate escrow/trust account. At NO time will the
58 owner be allowed to hold these funds. It is understood that these are the Tenants funds until such time as the security

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59 deposit deposition is completed and dispersed.

60 e) Record Keeping / Disbursements:

- 61 • Agent shall maintain accurate records relating to the property and retain such records as per Colorado and Federal
- 62 laws.
- 63 • Agent shall remit monthly and annual statements of receipts, expenses, and charges.
- 64 • Agent shall pay out of owners funds on hand, the following as they shall accrue and in the order here set out: Agent's
- 65 compensation, advertising costs, utility bills, necessary repairs &/or charges to maintain the property and expenses to
- 66 regain possession &/or attempt to collect delinquent rent.
- 67 • Disbursement will not take place if rent for said property has not been collected. It is expressly agreed that nothing
- 68 herein contained shall by construed as requiring Agent to advance any of its own money for any purpose whatsoever.

69 f) Legal Compliance:

70 The parties will comply with all obligations, duties and responsibilities under national, state, and local laws, fair housing
71 laws, and any other statute, ordinance, or restrictive covenant applicable to the leasing and management of the property.
72

AGENT AUTHORITY:

74 The Owner hereby gives the Agent the following authority and powers and agrees to assume the expenses in connection herewith:

75 a) Advertising:

76 To advertise the availability for rental of the herein described property, through some or all of the following media:
77 Commercial or Realty lock box for access by other Agents, print media, electronic media, Internet, television,
78 computer, information networks, radio, and Realtors Information networks (MLS). To display "for rent" signs thereon.
79 **PLEASE SEE ADVERTISING ADDENDUM:** Advertising costs run approximately \$200.00 per month and are billed in
80 30 day increments. Minimum advertising packet is \$60.00 per 30 days.

81 b) Sign, contract, sue, evict, and prosecute on Owners behalf:

82 To sign, renew, cancel, negotiate and/or execute leases for the premises or any part thereof; to collect rents due or
83 become due and give receipts therefore; to terminate tenancies and to sign and serve in the name of the Owner such
84 notices that are appropriate; to institute and prosecute actions; to evict tenants and to recover possessions of said
85 premises; to sue for in the name of the Owner and prosecute actions; to evict tenants and to recover possession of
86 said premises: to sue for in the name of the Owner and recover rents and other sums due; and when expedient, to
87 settle, compromise, and release such actions or reinstate such tenancies. Advertising costs for tenant placement are
88 paid from the Owner's Operating Account.

89 c) Authority to screen and place tenants:

90 Agent is authorized to verify the credit worthiness of prospective tenants. Prospective tenant is responsible for payment of
91 application fees. Due to Fair Housing Laws, this information will NOT be shared with the Owner.

92 d) Authority to serve and collect for debts on Owners behalf:

93 In the event of eviction of the tenant for non-payment of rent or any other obligation of lease violation, Agent will advise the
94 Owner as to the court procedure. Agent agrees to hire a process server to issue or post a "Demand for Payment or
95 Possession" notice and forward necessary documents to Agents attorney to handle the actual eviction through the courts.
96 Agent is authorized by Owner to sue in its own name or the Owners name and to expend a sum up to \$500.00 without
97 prior permission of the Owner for the purpose of trying to recover any un-collectable rents or to evict the tenant from said
98 property. The Agent will not be held responsible for any expenses incurred to the property during an eviction. All such
99 expenses shall be paid by the Owner in the event Agent is unable to collect the rents and/or other legal fees from the
100 tenant as a result of a lawsuit.

101 e) Authority to Survey:

102 Agent agrees to visit and survey the property when needed and report, if necessary to the Owner in the event of any
103 problems with the property or tenants.

104 f) Authority to Sign Leases on Owners behalf:

105 Agent will initiate all leases with tenants signed by the Agent on behalf of the Owner as a contract between SYNERGY
106 Property management, LLC. and the tenant. Agent will have the authority and exclusive right to negotiate leases and
107 month-to month tenancies with existing and prospective tenants. Agent will have the final decision on accepting a tenant
108 and/or negotiating the lease.

109 g) Reverse Military or Job Transfer clause:

110 If the Owner chooses to exercise the "Reverse Military or Job Transfer" clause as written in the tenants lease, the
111 minimum 60 day notice to vacate to the tenants must be at least 30 days to the end of the next month. I.E. The Owner
112 approaches SYNERGY Property Management, LLC on June 6th that they want to exercise this right and move back into
113 the home. The tenants will be notified to vacate the following July 31st, NOT July 6th!

AGREEMENTS OF PARTIES:

114 a) Entire Agreement:
115

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- 116 This writing embodies the entire agreement between parties and is not based on any other representation whatsoever,
117 expressed or implied, except as herein contained. This agreement cannot be modified except in writing by the parties.
118 b) Binding Effect: Owner's obligation to pay Agent an earned fee is binding upon Owners and Owner's heirs, administrators,
119 executors, successors, and permitted assignees.
120 c) Joint and Several: All Owners executing this agreement are jointly and severally liable for the performance of all its terms.
121 Any act or notice to, refund to, or signature of, any one or more of the Owners regarding any term of this agreement, its
122 extension, its renewal, or its termination is binding on all Owners executing this agreement.
123 d) Governing Law: Colorado law governs the interpretation, validity, performance and enforcement of the agreement.
124 e) Severability: If a court finds any clause in the agreement invalid or unenforceable, the remainder of the agreement will not be
125 affected and all other provisions of this agreement will remain valid and enforceable.
126 f) Context: When the context requires, singular nouns and pronouns include the plural.
127 g) Notices: Notices between the parties must be in writing and are effective when sent to the receiving party's address, fax, or
128 email address specified on the signature (last) page of this agreement.
129 h) Legal Advice: Agent cannot give legal advice. Read this agreement carefully. If you do not understand the effect of the
130 agreement, consult an attorney before signing.
131

SECURITY DEPOSITS:

132 Agent will deposit in an interest bearing account and become custodian of the security deposits paid by tenant and will retain
133 control of disbursements of such deposits. Agent shall retain interest collected, and disperse to charity or as the agent sees fit.
134 SYNERGY Property Management, LLC will hold the security deposit in a separate, interest bearing, escrow account. These are
135 the tenant's funds, and SYNERGY Property management, LLC will at NO time allow the Owner to hold these funds. Disbursement
136 of these funds to the owner and tenant will be done after the tenant has vacated and a fair settlement is completed. All settlement
137 of funds remains at the Agents discretion.
138

REPAIRS / IMPROVEMENTS / EMPLOYEES

139 SYNERGY Property Management, LLC will not accept any property into their inventory unless the cost to prepare the unit for rent is
140 less than \$500.00. In this case the Owner will advance these preparation fees in addition to all other fees to set up the
141 management account. In the event Owners property is not ready to rent to others we will be glad to advise you of items that must
142 be completed before the unit can be turned over to us for management services.
143

a) Repair and Improvements:

144 The Agent agrees to secure the prior approval of the Owner, except in case of emergency, on all expenditures in excess
145 of \$350.00 for any one item, except monthly or recurring operating charges and/or emergency repairs in excess of the
146 operating account balance if in the opinion of the Agent such repairs are necessary to protect the property from damage
147 or maintain services to the tenant as called for in their lease.
148

b) Approval from Owner for large expenditures:

149 If Agent is not able to receive approval from Owner within (24) twenty-four hours of notification to the Owner, the Agent
150 has the expressed permission of the Owner to do the necessary repairs or maintenance at the property to protect Owners
151 property interest. The Owner understands that in unusual circumstances, what appeared initially to be a minor repair of
152 less than \$500.00, in fact turns into a major emergency and excess funds must be immediately expended. (Example- the
153 tenant calls and reports that the pilot light on the furnace won't stay lit, thus no heat. A routine maintenance call is placed
154 assuming it is a thermo-couple gone bad. When the technician arrives, he finds a cracked heat exchanger and carbon
155 monoxide seeping into the unit. This minor repair quickly turns into a \$2,000.00 emergency that can not wait for
156 authorization. It must be corrected immediately to prevent illness and possible death!) If Owner's insurance company
157 does not pay for this service, Owner will pay Agent within 15 days of service.
158

c) Insurance Claims:

159 Unless the Owner resides outside of the continental United States, SYNERGY Property Management, LLC will not
160 instigate an insurance claim. The Owner will be contacted of the problem at hand and the Owner will be the one
161 contacting the insurance company and filing a claim. In the event of major maintenance, repairs, or construction in which
162 the costs will exceed six hundred dollars (\$600.00), Agent shall be entitled to a fee of twelve percent (12%) of said
163 expenditures for the supervision of same, per incident. (This does not include standard maintenance or repairs such as
164 painting, re-roofing, or new carpet). Agent agrees to meet with adjuster and pay vendors from Owner's account and
165 insurance proceeds. These services are above and beyond management services and are usually in conjunction with a
166 disaster such as fire, flood, tornado, uncontrolled running water, etc. but not limited to these specifics. Agent will charge
167 an additional hourly rate of \$50.00 per hour for this service. Owner may charge this back to their insurance company with
168 the other invoices for repairs.
169

d) Bids for vendor services:

170 Be aware that regardless if repairs are necessary whether due to an insurance claim or normal wear and tear, SYNERGY
171 Property Management, LLC will NOT supply multiple bids. We have worked with numerous vendors for years and we
172
173

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- 174 frequently receive corporate rates not available to the general public. We know which vendors will give the best product
175 for the most reasonable price-not necessarily the cheapest product for the cheapest price. The Owner may obtain as
176 many bids as they like but they must advance funds for payment if they use a vendor other than a vendor from our
177 approved vendor list.
- 178 e) Supervision of labor and employees:
179 SYNERGY Property Management, LLC agrees to hire, discharge and supervise all labor and employees required for the
180 operation and maintenance of the premises; it being agreed that all contractors shall be deemed contractor of the Owner
181 and not the Agent, and that the Agent may perform any of its duties through Owner's attorneys, agents, or contractors and
182 shall not be responsible for their acts, defaults or negligence if reasonable care has been exercised in their appointment
183 and retention. All individual contractors (i.e. independent contractors) will provide proof of Liability insurance and when
184 applicable, Workman's Compensation Insurance, OR they will be hired through temporary job placement services (i.e.
185 ADP, PayChecks, Manpower Inc.) to assure they have appropriate insurance coverage.
- 186 f) Utilities:
187 SYNERGY Property Management, LLC agrees to make contracts for electricity, gas, fuel, lawn care when necessary,
188 water, telephone, window cleaning, drapery cleaning, ash or rubbish hauling and other services as the Agent shall deem
189 necessary for the leasing or upkeep of the property. The Owner shall assume the obligation of any contract so entered into
190 by Agent on behalf of the Owner to pay.
- 191 h) Remodeling:
192 The Agent does not provide services as a contractor for remodeling or modernization of the home. SYNERGY
193 Property Management, LLC will not accept new properties into our inventory that require more then \$500.00 in repairs,
194 without cash up front to repair and maintain the property.
- 195 i) Painting:
196 Owner agrees to allow SYNERGY Property Management, LLC to represent the Owner to the tenants and to allow the
197 tenant to paint the interior of the unit(s) at the tenants discretion, with the understanding that when the tenant vacates the
198 property the tenant will re-paint or have the unit re-painted with a white semi-gloss enamel high quality paint. Preferably,
199 "Sherwin Williams": "Navajo White" or "Egg Shell White".
- 200 h) Cable/Dish installation:
201 Owner agrees to allow SYNERGY Property Management, LLC to represent the owner to the tenants and to give
202 authorization for the tenant to designate and sign for cable or dish installation at said unit(s), by a licensed cable
203 company. Any installation must be done by a professional and requires that the tenant insures that any holes are
204 properly caulked to prevent moisture, insects and rodents from entering the home. All costs, expenses and damage
205 resulting from the installation will be the sole responsibility of the installing tenant. Nothing is to be billed to SYNERGY
206 Property Management, LLC, nor the Owner.
- 207 i) Pest control:
208 Owner agrees to allow SYNERGY Property Management, LLC to represent the owner to the tenants and to provided and
209 pay for pest control twice per year if the tenants request the service. SYNERGY Property Management, LLC agrees to
210 notify the Owner in the event of a major pest or rodent infestation. SYNERGY Property Management, LLC agrees to hire
211 only a licensed, bonded, and insured pest control service provider.
- 212 j) Sprinkler Systems:
213 If there is a sprinkler system on the property, the Owner agrees to allow SYNERGY Property Management, LLC to
214 represent the owner to the tenants and to provided and pay for the winterizing (in the Fall) and system activation (in the
215 Spring) at the owner's expense.
- 216 k) Furnace/Boiler maintenance:
217 Owner agrees to allow SYNERGY Property Management, LLC to represent the owner to the tenants and to provided and
218 pay for the furnace/boiler to be cleaned and serviced once a year at the owners expense.
- 219 l) Winterize Vacant Unit:
220 Owner agrees to allow SYNERGY Property Management, LLC to prepare and/or winterize the property in the case
221 becomes vacant during the Fall or Winter months. This service protects the property against most damage caused by cold
222 weather. Services for Winterization and De-Winterization are at the Owners expense.

INSURANCE /SAVE HARMLESS

- 224
225 a) Maintain Insurance Coverage:
226 The Owner agrees and understands that it is his/her responsibility to maintain adequate fire, liability and extended
227 coverage insurance on the property. The Owner should discuss their specific needs with their own insurance agent.
228
229 b) Additional Insured Party:
230 Owner agrees to add SYNERGY Property Management, LLC as an "additional insured" party under such policy in the
231 same manner and extent it protects the Owner. (There should be no additional insurance fee for this added insured, and

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232 assists the Agent when the Owner has filed an insurance claim). Please provide the Agent with a copy of the insurance
233 coverage on the property as well as the insurance company name, address and phone number.

234
235 NAME OF INSURANCE COMPANY: _____
236 ADDRESS: _____
237 AGENTS NAME: _____
238 AGENTS PHONE NUMBER: _____
239 POLICY NUMBER: _____

240 c) Hold Agent Harmless:

241 The Owner agrees to hold the Agent harmless and indemnify from any claims, debts, demands, suits, costs or charges
242 including attorney fees and court costs in connection from any liability for injury suffered on or about the premises by any
243 person. (An example - the Owner left holiday decorations attached to the exterior of the home; the owner vacated. The
244 tenant moved in and several months later try to remove said decorations. In the process tenant falls off the roof, and sues
245 the Agent and Owner for damages. The Agent is held harmless.)

246
247 **EVICITION PROTECTION PLAN**

248 Owner has the option of participating in our Eviction Protection Plan. For \$7.00 per month per door/ unit, due at management
249 agreement signing, SYNERGY Property Management, LLC will guarantee the tenant WE place will NOT be evicted. This fee will be
250 the only "court and legal fees" you would normally pay. Should the tenant be evicted, and the security deposit is not enough to
251 cover the legal fees, SYNERGY Property Management, LLC will pay all attorney costs and court fees related to this matter.

252 a) Please Note – you may still have lost rents and possible tenant damages. This policy will cover the cost of court and
253 all attorney fees, through the first court date. We have seen these fees upon occasion reach several thousand dollars.

254 b) Please Note – a building with multiple doors (i.e. duplex or four-plex will be charged for the number of doors at that
255 address) so a four-plex would be \$7.00 X 4 = \$28.00 per month.

256 c) This fee will be the only "court and legal fees" you pay. Should the tenant be evicted, Synergy Property Management,
257 LLC will pay all

258 _____ Please sign me up at \$7.00 per door, per month

259 _____ No, I do not want Eviction Protection.

260
261 **OWNER'S COOPERATION:** Owner agrees to:

262 a) Cooperation with Agent to facilitate the showings, marketing and leasing of the property.

263 b) Not to rent or lease the property to anyone without the Agents prior written approval.

264 c) Not to negotiate with any prospective tenant who might contact the Owner directly, but refer all prospective tenants to the
265 Agent.

266 d) Provide Agent with copies of any existing lease and management agreements related to the property as well as any
267 security deposit's paid by any existing tenants in the property.

268 e) Provide the Agent with keys, garage door openers, access codes, and access devices to the property.

269 f) Provide the Agent with copies of all warranties related to the Property or items in the property. (Including, but not limited
270 to special instructions for: care of floors, hot tubs, ponds, barns, etc...)

271 g) Complete any disclosures required by law.

272 h) Notify the Agent if the Owner becomes delinquent in the payment of:

- 273 • Any mortgage.
274 • Any encumbrance secured by the property.
275 • Property taxes.
276 • Property insurance.
277 • Owner's association fees.

278 i) Owner will cooperate with the Agent to keep the home in the same condition or better when management agreement is
279 signed.

280 j) If the property has a homeowner's association, Owner will provide the Broker with a copy of the rules and regulations for
281 the association.

282 k) Owner shall change mailing address for all utilities to be mailed in care of SYNERGY Property Management, LLC.

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- 283 l) Agent shall provide the Owner with a "Property set-up form" created by and for SYNERGY Property Management, LLC.
284 Owner agrees to complete this form to the best of their ability. In the event this form is not filled out or a staff member to
285 include Agent from SYNERGY Property Management, LLC has to fill the form out, Owner will hold harmless SYNERGY
286 Property Management, LLC of any and all information that may be entered incorrectly on your behalf. In any event,
287 SYNERGY Property Management, LLC accepts no responsibility and or liability for any personal belongings the Owner
288 may have intentionally or unintentionally left in or on the property.
289

FEE STRUCTURE

290 The Owner agrees to compensate the Agent as follows:

- 291 a) \$150.00 one time Administrative Management set-up fee to establish new property management account. This is due at
292 contract signing.
293 1) From tenant proceeds:
294
 - 295 • 12% of all rents received.
 - 296 • 12% of all utilities that are billed through SYNERGY Property Management, LLC to the tenant.
 - 297 • 12% from retained security deposits from tenants: i.e. caused from eviction or tenant vacating with no notice.

298 2) Tenant interruption fine of \$300.00 will be split with the Agent. (example): Tenant calls you the Owner at home or work
299 without Agent or Owner consent.
300 3) Possible additional monthly fees.
301
 - 302 • If Owner requests hard copy check rather than Electronic Funds Transfer to Owners bank, there is a \$2.00 per check
303 issued fee.
 - 304 • If Owner requests printed copies of Owners Statement, in additions to online access to accounts, there is a \$5.00 per
305 statement issued fee.
 - 306 • There is a \$15.00 fee issued each January when Tax Packets are mailed to Owners. The tax packet includes, but is
307 not limited to Yearly Owners Statement, all receipts from tax year, and 1099 (required).
 - 308 • Agent will write up to 4 checks per month per building on behalf of the Owner without additional charge. From the 5th
309 check on, additional checks will be charged at \$2.00 per check. (i.e. Owner check, trash, utility + 1 repair bill).
 - 310 • Owner agrees to be charged for long distance calls and faxes out of the continental United States, and postage for
311 special packages mailed to Owner at Owners request. Owner authorizes charges to be paid from Owner's property
312 account. There is no additional charge for e-mail correspondence.
 - 313 • Upon Owner request, Agent shall pro-rate utilities to tenants in multi-units where only one meter services the entire
314 building. The fee for this is 12% for EACH utility pro-rated bill sent to tenants + the management fee percentage of the
315 utility fee collected.
 - 316 • Monthly drive-by surveys of the exterior are \$10.00 per building per month.

316 4) Interest earned on the Tenants security deposit and Operating Account shall be retained by the Agent and administered to
317 charity or as the Agent sees fit.
318 5) If SYNERGY Property Management, LLC should perform any miscellaneous labor as specified herein, the Owner shall
319 compensate the Agent as agreed at \$50.00 per hour.
320 6) Due to the difficulty in collecting late fees and the excessive work involved in tracking down late paying tenants, all late
321 fees, lease breaking fees, property preparation fees, and move-out preparation fess will be maintained by the Agent.
322 7) Eviction Protection Plan at \$7.00 per unit per month. (Charged only if Owner opts-in).
323 8) At the Agent discursion, and in the event that the Owner chooses to relieve the Tenant of any fees (i.e. late fees, serving
324 fees, application fees) the Agent is authorized to collect afore mentioned fees from the Owner Operating Account.
325

NOTE-THERE IS NO LEASE UP OR LEASE RENEWAL FEES!

326 Agent is authorized to withdraw these funds at any time during the month after the monthly rent proceeds have been
327 received. Management fees may be negotiated annually.
328

OWNER FEES:

- 329
330 a) Management Fees – 12% of rents collected.
331 b) \$500.00 Start-up fees for Operating Funds. The Owner will maintain an Operating Account with a desired balance of
332 \$500.00 to be held by Synergy Property Management, LLC. This can be deposited at time of initiating this
333 management agreement or a minimum of \$350.00 and the Operating Account can then be built up at \$50.00 per
334 month from the rent proceeds. These funds always belong to the Owner. They will remain in the Owners account as
335 long as there is management on the property by the Agent. These funds can be disbursed to the Owner with a
336 phone call to Agent asking that these funds be sent. Funds are replenished on a monthly basis as needed.
337 c) Advertising Costs, approximately \$200.00 per month and are billed in 30 day increments.
338 d) Re-key or new locks upon property turnovers.
339

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- 340 e) Furnace / Boiler bi-annual inspection.
- 341 f) Owner pays utilities, mortgage, and advertising while properties are vacant.
- 342 g) Repairs to property when needed.
- 343 h) Winterization and De-Winterization as needed.
- 344 i) Sprinkler system care bi-annually.
- 345 j) Agent fees for large project maintenance issues, as specified herein.
- 346 k) Delivery services.
- 347 l) Drive-by survey services.
- 348 m) Sign placement or removal.
- 349

350 The following items will be charged to tenant(s) in the event the tenant(s) have broken their leases agreement or have been forced
351 to leave due to legal means: Advertising costs, re-keying, utilities, damage to the property, and rent.

FOR SALE OR FOR LEASE, which ever comes first:

352
353 In the event that SYNERGY Property Management, LLC is working to rent the property at the same time that another agent is
354 working to sell the property, and the property is sold, SYNERGY Property Management, LLC agrees to release the Owner from
355 this contract under the following conditions:

- 356 a. A valid offer to purchase the property is accepted.
- 357 b. SYNERGY Property Management, LLC receives written notification of the sale.
- 358 c. SYNERGY Property Management, LLC receives a formal written termination of services.
- 359 d. Owner agrees to pay \$150.00 one time Administrative Management set-up fee to establish the new property
360 management account. This is due at contract signing.
- 361 e. Owner agrees to pay all advertising incurred the Owners behalf.
- 362 f. Owner agrees to pay for all vendor services incurred on the Owners behalf.
- 363
- 364

365 In the event that the purchase offer is not finalized or the sale does not take place, the Owner will need to sign a new contract to
366 engage management services with SYNERGY Property Management, LLC.

ADDENDA:

367 Incorporated into this agreement are the following addenda and other information:

- 368 _____ Management Agreement.
- 369 _____ Colorado Real Estate Brokerage Duties Addendum / Exclusive Right To Lease Contract.
- 370 _____ Advertising Agreement.
- 371 _____ Electronic Funds Transfer Authorization.
- 372 _____ W-9 U.S. Tax Form.
- 373 _____ Lead Base Paint Disclosure.
- 374 _____ Copy of Homeowners Association Rules and Regulations.
- 375 _____ Other: _____

MISCELLANEOUS:

- 376 a. **SHORT TERM RENTALS:** Seasonal short term rentals, and fully furnished rentals will be negotiated separately at a
377 much higher rate, only through the main SYNERGY Property Management, LLC office.
- 378 b. **PLACE TENANT ONLY SERVICE:** Services for tenant placement only (i.e. prescreen tenant, place tenant and write
379 lease) for Owner is not recommended, but can be negotiated separately. Please refer to Place Tenant Only
380 Agreement, by request (not included in this packet).
- 381 c. **REFERRED BY:** Realtors work on a commission only basis. A great amount of their lively hood is based on referrals
382 from others. Would you kindly share with us who referred you to us or how you heard about our services? _____
383
- 384 d. **INTERNET REFERRAL:** If you found us via the internet do you remember which web site? If you decide to sell your
385 home while it is in our care we certainly would appreciate your consideration in allowing us to be your listing agent. We will
386 cooperate with other agents in listing your home for sale, under the condition they will abide by all tenant rights laws if your
387 home is still occupied. Web-Site: www. _____
- 388 e. **FORECLOSURE:** In the event that your home goes into foreclosure, we will continue to receive rents from the
389 tenants. However, we will not disburse ANY funds to the owner until the tenant has been relocated into another
390 home at the owner's expense. This can include, but is not limited to: moving van, utility reconnect fees, and security
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MANAGEMENT AGREEMENT

398 deposit. If it becomes apparent to SYNERGY Property Management, LLC that the Owner is having financial
399 difficulties, SYNERGY Property Management, LLC reserves the right to obtain a current credit report on the Owner.
400 f. EXCLUSIVE RIGHT TO LEASE AGREEMENT: This agreement plus the Colorado Real Estate Commission (BDA
401 55-04-05) 4 Page Document attached (Exclusive Right to Lease) shall be binding upon the successors and assigns
402 of the Agent, and the heirs, administrators, executors, successors and assigns of the Owner. The property
403 Management Agreement constitutes the entire agreement between the parties and no oral or verbal agreement or
404 understanding shall bind either of them. Any and all changes shall be in writing. For the purpose of this Agreement,
405 all notices herein shall be deemed to have served upon the other party when mailed at the following addresses or at
406 such other addresses as shall be changed in writing, properly notifying the other party.
407

SUCCESSORS:

408 This agreement shall be binding upon the successors and assigns of the Agent, and the heirs, administrators, executors,
409 successors and assigns of the Owner. The property Management Agreement constitutes the entire agreement between the
410 parties and no oral or verbal agreement or understanding shall bind either of them. Any and all changes shall be in writing. For the
411 purpose of this Agreement, all notices herein shall be deemed to have served upon the other party when mailed at the following
412 addresses or at such other addresses as shall be changed in writing, properly notifying the other party.
413

OPERATING ACCOUNT:

414 The Owner will maintain an Operating Account with a desired balance of \$500.00 to be held by SYNERGY Property Management,
415 LLC. At least \$350.00 of this must be paid at upon signing the management agreement to assure funds are available to start the
416 advertising. The entire \$500.00 can be paid at contract signing or the balance of \$300.00 plus any used funds for advertising and
417 maintenance can be built up at \$50.00 per month from the rent proceeds, until the balance totals \$500.00. These funds always
418 belong to the Owner. They will remain in the Owners account as long as there is management on the property by the Agent. These
419 funds can be disbursed to the Owner with a phone call to Agent asking that these funds be sent.
420
421
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423

424 I will deposit \$650.00.

425 \$150.00 is for the required Administrative Property Set-up Fee.

426 \$500.00 to be placed in SYNERGY Property Management, LLC Owner Operating Account at the initiation of this
427 Management Agreement.

428 \$650.00
429

430
431 I will deposit \$350.00.

432 \$150.00 is for the required Administrative Property Set-up Fee.

433 \$200.00 to be placed in SYNERGY Property Management, LLC Owner Operating Account at the initiation of this
434 Management Agreement.

435 \$350.00

436 If the account balance is less then \$500.00, I authorize a \$50.00 monthly deduction from rents received
437 to be deposited into SYNERGY Property Management, LLC Operating Account until my Owner's
438 balance reaches \$500.00.
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PARTIES TO AGREEMENT:

449
450
451 OWNER (1) _____

452 PRINTED NAME

SIGNATURE

453 OWNER (1) Social Security #: _____ - _____ - _____

454 Dated this _____ day of _____ 20_____

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