



# PROPERTY MANAGEMENT AGREEMENT

THIS IS INTENDED TO BE A LEGALLY BINDING AGREEMENT. READ IT CAREFULLY.

\_\_\_\_\_ Owner, and

American Heritage Properties, Inc., \_\_\_\_\_ Agent, agree as follows:

The owner hereby employs and grants Agent the exclusive right to rent, lease, and manage the property known as:

1. \_\_\_\_\_  
 for the period of **12 Months** commencing \_\_\_\_\_ and terminating \_\_\_\_\_  
 then continuing on a monthly basis except both parties agree that the termination date shall be extended through the expiration of any existing lease negotiated by Agent. If contract is to be terminated in accordance with contract then both parties agree to 30 days written notice.

Either party may terminate this contract prior to the initial tenant signing a lease. If Owner rents to a tenant procured by Agent, then Agent shall be entitled to commission for the term of the contract.

2. Agent shall:
- (a) Use due diligence in the performance of this contract:
  - (b) Render **Monthly** statements of receipts, expenses and charges and to remit to Owner receipts less disbursements. In the event the disbursements shall be in excess of the rents collected by the Agent, the Owner hereby agrees to pay such excess promptly upon demand of the Agent.
  - (c) Accumulate as a reserve in the Owner's account each month **as directed by Owner in writing**
  - (d) Deposit all receipts collected for Owner (less any sums properly deducted) in a Trust account in a national or state institution qualified to engage in the banking or trust business, separate from Agent's personal account. However, Agent will not be held liable in event of bankruptcy or failure of depository.

The Owner grants Agent the following authority and powers and Owner shall pay the expenses in connection herewith:

3. (a) To advertise the availability for rental of the premises; to sign, renew or cancel leases for the premises; to collect rents or other charges; to terminate tenancies and to sign and serve in the name of the Owner such notices as are appropriate; to institute actions to evict tenants and to recover possession of premises in the name of the Owner and recover rents and other sums due, and when expedient, to settle, compromise, and release such actions or suits or reinstate such tenancies.
- (b) To make or arrange repairs and alterations, to purchase supplies and pay all bills for the premises. The Agent agrees to secure the prior approval of the Owner on all expenditures in excess of **\$200.00** for any one item, except 1) monthly or recurring operating charges, 2) emergency repairs if in the opinion of the Agent such repairs are necessary to protect the property/Owner/Agent/tenant from damage or prevent damage, 3) to avoid suspension of services or to avoid penalties or fines, 4) expenses to prepare the property for move in of tenants (turnover maintenance).
- (c) To arrange and pay for labor and employees required for the maintenance of the premises. Agent may perform any of its duties through Owner's attorneys, agents or employees and shall not be responsible for their acts, defaults or negligence if reasonable care has been exercised in their appointment and retention.
- (d) To make contracts for utilities and services as the agent shall deem advisable; the Owner to assume the obligation of any contract so entered into at the termination of this agreement.
- (e) To pay loan indebtedness, property taxes, special assessments and insurance as designated by Owner. If the property is located in the City of San Diego, Agent is authorized to pay the San Diego City Rental Business Tax.
- (f) Owner agrees to pay for any fee based advertising. Any discounts received by Agent will be passed along to Owner.

*Continued on other side*



4. The Owner Shall:

- (a) Indemnify and save the Agent harmless from any and all costs, expenses, attorney's fees, suits, liabilities, damages or claim for damages, including but not limited to those arising out of any injury or death to any person or persons or damage to any property of any kind whatsoever and to whomsoever belonging, including Owner, in any way relating to the management of the premises by the Agent or the performance or exercise of any of the duties, obligations powers or authorities herein or hereafter granted to the Agent; to carry, at Owner's sole expense, such public liability, property damage and worker's compensation insurance as shall be adequate to protect the interests of the Agent and Owner, the policies for which shall name the Agent as well as the Owner as the party insured. If the property is a condominium / townhome, Owner understands that if there is a master policy covering the structure and common areas, that this policy typically has no coverage for the interior of the home and the Owner is advised to obtain appropriate coverage for the interior of the condominium / townhome.
- (b) To pay the Agent:
  - (1) For Management: 10% of the monthly rent collected.
  - (2) For Leasing: **NO FEE IS CHARGED FOR PLACING THE TENANT.**
  - (3) In the event that the Owner shall request the Agent to undertake work exceeding that usual to normal management, then a fee shall be agreed upon for such services before the work begins. Normal management does not include modernization, fire/major damage restoration, major rehabilitation, etc.
  - (4) In the event that the Owner sells the property at any time to a tenant placed by Agent, then the Agent shall be entitled to one percent of sales price as a finder's fee. Agent shall release Owner from contract at the close of escrow.
  - (5) For assignment: The Owner hereby agrees that Agent may be compensated by the party requesting an assignment of lease for services rendered in negotiating the consent of assignment.
  - (6) Ownership: Owner warrants that Owner is the sole owner of the premises, or has unconditional authority to execute this Agreement on behalf of any Co-owner and that the premises are not subject to current legal action or foreclosure. Any individual Owner shall have authority to hereafter take action and enter into further agreements with Agent on behalf of all co-owners.

5. Other:

- a) Owner shall be responsible for establishing rental amount, and for approving tenants and capital improvements.
- b) Agent is authorized to retain all late penalties and returned check fees.
- c) Inspections conducted by Agent are for the sole purpose of documenting the condition of the home prior to a tenant moving in and for comparison when they move out. Agent's employees that perform the inspections are not licensed contractors.
- d) In the event the Owner approves a military tenant, this tenant may be released from the rental agreement without penalty with 30 days notice if they are transferred out of the area.
- e) Agent may use Rental Property Services (RPS), the maintenance company owned by Agent, or employees, for services performed at the property. Agent may receive profits from the services of RPS.
- f) The property is offered in compliance with Federal, State and Local anti-discrimination laws.

6. If it shall become necessary for Agent or Owner to give notice of any kind, notice shall be written and sent by mail.

7. This agreement shall be binding upon the successors of the Agent, and the heirs, administrators, executors, successors and assigns of the Owner.

Parties acknowledge having read the foregoing prior to execution and receipt of a duplicate original dated: \_\_\_\_\_

\_\_\_\_\_  
**Owner Signature**

\_\_\_\_\_  
**Please Print Name Here**

\_\_\_\_\_  
**Social Security Number**

\_\_\_\_\_  
**Agent**

**#Name?**  
**#Name?** \_\_\_\_\_  
**Address**

**American Heritage Properties**  
**9988 Hibert Street, Suite 300**  
**San Diego, CA 92131** \_\_\_\_\_  
**DRE Lic # 00814073**

**NO REPRESENTATION IS MADE AS TO THE VALIDITY OF ANY PROVISION OR THE ADEQUACY OF ANY PROVISION IN ANY SPECIFIC TRANSACTION A REAL ESTATE BROKER IS THE PERSON QUALIFIED TO ADVISE ON REAL ESTATE. IF YOU DESIRE LEGAL ADVICE CONSULT YOUR ATTORNEY.**





ADDENDUM TO PROPERTY MANAGEMENT AGREEMENT

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ADDENDUM TO THE PROPERTY MANAGEMENT AGREEMENT BETWEEN \_\_\_\_\_

Owner, and **American Heritage Properties, Inc.**, Agent, DATED \_\_\_\_\_

Property Address: \_\_\_\_\_

1. Please initial the following:

Lead Based Paint?	Yes _____	No _____	Asbestos?	Yes _____	No _____
Air Conditioner?	Yes _____	No _____	Refrigerator?	Yes _____	No _____
Washer?	Yes _____	No _____	Dishwasher?	Yes _____	No _____
Dryer?	Yes _____	No _____	Microwave?	Yes _____	No _____
Gardener?	Yes _____	No _____	Automatic Sprinklers?	Yes _____	No _____
Pool/Spa Service?	Yes _____	No _____	OK to install a For Rent Sign?	Yes _____	No _____
Pets Considered?	Yes _____	No _____			

American Heritage Properties offers an eviction cost guarantee that covers attorney's fees and court costs up to \$7,500.00. The fee to the owner for this option is \$6.00 per month. Please initial your choice below.

Yes \_\_\_\_\_ No \_\_\_\_\_

Who Pays for the following?

Water? Owner \_\_\_\_\_ Tenant \_\_\_\_\_ HOA \_\_\_\_\_

Trash? Owner \_\_\_\_\_ Tenant \_\_\_\_\_ HOA \_\_\_\_\_

Other restrictions: \_\_\_\_\_

- 2. Personal Property: Agent assumes no responsibility or management of personal property left by Owner at premises.
- 3. When tenants move out they are not required to return the home in move in condition. Tenants are only responsible for wear on the home that exceeds normal. Routine maintenance including painting/touch up painting, light general cleaning, carpet cleaning, and rekeying of the locks are some costs Owner should expect to incur while preparing the home between tenants.
- 4. Smoke detectors and Carbon Monoxide detectors are required by law. If they are not installed by the Owner, then the Agent shall install them prior to a tenant taking possession of the property at the Owner's expense.

Parties acknowledge having read the foregoing prior to execution and receipt of a duplicate original.

OWNER \_\_\_\_\_

AGENT  
 9988 Hibert Street, Suite 300  
 San Diego, CA 92131  
 American Heritage Properties, Inc.  
 (858) 695-9400

