

1. **The Property owner/s contracting for service Is the OWNER, Arrowpoint Realty, Inc. is the MANAGER.**

2. **The following services will be provided by the Manager:**

- A. Inspect the property when vacant and oversee the tenancy during times of occupancy.
- B. Market the property under an EXCLUSIVE RIGHT TO LEASE listing at a rent rate determined by the Manager and Owner.
- C. Employ signs, the Multiple Listing Service, Internet, classified ads or other forms of advertising, as determined by the Manager.
- D. Screen prospective tenants as to income, credit rating, employment, and other criteria deemed appropriate by the Manager.
- E. Prepare and have authority to sign leases, lease extensions, addenda or other documents relating to leasing or management of the property.
- F. Arrange for, or change utility services at the property in the name of and/or on behalf of the Owner.
- G. Collect rents, security deposits, rental taxes, or other monies for deposit into a Broker's Trust Account at an FDIC insured Bank.
- H. Pay from Owner trust funds payables relating to management of the property, including fees, commissions or other items due the Manager.
- I. Provide owner with a monthly disbursement of funds above the amount held in reserve, along with a statement of owner's account.
- J. Arrange for legal or collection actions for non-payment of rents or any other violations of the rental agreement by the tenant.
- K. Make available to Owner copies of invoices, leases and other documents relating to the leasing and management of the property.
- L. Arrange for necessary repairs, maintenance or services as required to maintain the habitability or marketability of the property.
- N. Upon request of out-of-state Owners, serve as statutory agent for duration of the agreement per ARS 33-1901 and 33-1902.

3. **Special provisions and/or exclusions to this Agreement - The Property Manager:**

- A. In no way guarantees leasing of the property, nor any aspect of any tenancy, including rent collections or tenant behavior.
- B. Will not market the property for sale except under a specific and separate FOR SALE listing agreement signed by the Owner.
- C. Assumes no ownership interest in the property, but will function only as an agent of the Property Owner.
- D. Will not pay mortgages, HOA dues, property taxes, or insurance premiums (except under separate addendum or as required to maintain services and habitability – subject to available owner funds), nor compute depreciation or capital gains for tax reporting purposes.
- E. Will attempt to obtain verbal approval of leases and repairs, but with authority to exercise best judgement when owner is not available.
- F. Will hold refundable tenant deposits in trust until lease conclusion, tenant forfeiture, or termination of management services.
- G. Will retain all tenant applications and credit reports, and will not release copies of these documents to the Owner or any third party.
- H. Will not, under any circumstances, be obligated to advance any funds for the operation of the property.

4. **Schedule of fees for:** **Unfurnished Properties:** **Furnished Properties:**

A. Setup Fee	one time charge to new accounts \$75	one time charge to new accounts \$75
B. Lease Commission	10% of gross lease, due in full, at occupancy	15% of gross lease, in full at occupancy
C. Renew Commission	10% of gross lease, due 1 st day of new term	15% of gross lease, due 1 st day of new term
D. Holdover extensions	10% of rents collected, paid periodically in arrears	15% of rents collected, paid periodically in arrears
E. Monthly management fee	1 st property = \$45 mo. Each additional property = \$25 mo. Management only (no leasing) = \$75 mo.	
F. Year End Fee/Tax Package	\$75.00 for each 1099-MISC and tax package prepared annually, regardless of number of units	

- I. If the Owner elects to sell the property to a tenant placed by the Manager during or within 90 days of the termination of the tenant's occupancy, owner agrees to pay Manager a sales commission of 3% of the property's selling price, unless specified differently in writing.
- J. All Late and NSF fees collected from the tenant are retained by the Manager or waived at the Manager's sole discretion.
- K. Interest is earned on all owner and tenant funds held in trust and will be retained by the Property Manager.
- L. At termination of the agreement and **only by written request from the Owner**, Manager will provide additional copies of invoices and rental agreements for the previous three years at a cost to the Owner of \$200 as a processing fee.
- M. Manager does not in any way guarantee or insure leases nor refund commissions for early termination, default or mutual cancellation.
- N. Owner obligations to pay commissions for lease extensions or renewals executed under terms of this contract continue to apply, even if said renewals or extensions occur after or extend beyond termination or expiration of this contract.

5. **Specific authorizations or acknowledgments relating to this agreement - The Owner agrees:**

- A. To maintain a reserve for emergencies or other expenses, in the amount of \$750 per each condo or \$1000 per unfurnished townhouse, house or furnished condo, as determined by Manager, said amount to be replenished from rent or y owner promptly upon notification.
- B. To meet all legal ownership obligations required to maintain the tenant's full legal use and enjoyment of the property.
- C. To authorize Manager to honor and pay any legal assessment, garnishment or outstanding Homeowners Association charges.
- D. Tenant refundable deposits are not Owner assets, but are refundable to the tenant, less charges caused by tenant default or damage.
- E. To defend at owner's expense any legal action or claim brought against Property Manager by a tenant or any other third, party relating to the conscientious management of the property, even if said action is brought after termination or expiration of this agreement.
- F. In the event that any omission or action by the owner results in a lease cancellation or default by the owner, including mortgage deficiency, manger has full authority to negotiate an equitable settlement with the tenant, which may include an offer of discounted or free rent.

Owner Initials _____ / _____

- G. That the costs of any legal action on behalf of the owner are at owner's expense, even if said costs are not recovered from the tenant.
 - H. To hold Property Manager harmless for any tenant default, including but not limited to non-payment of rents or tenant-caused damages.
 - I. That Owner payables may be paid from funds from any of the owner's properties under management with Arrowpoint Realty Inc.
 - J. That at termination or non-renewal of this agreement, all Owner or Tenant funds held in Trust will be applied to any payables or charges, and owner will promptly submit payment for any balance due, as well as assume full responsibility for refund of tenant security deposits.
- 6. Provisions relating to Repairs and Maintenance of the property. Owner and Manager mutually agree that:**
- A. Any maintenance contracted through Property Services Dispatch, Inc. ("PSD"), owned and operated by W. Michael Novotny, CEO and Designated Broker of Arrowpoint Realty, Inc., will be at fair market value, and in the event of any claim by Owner relating to said repairs or maintenance, will be against Property Services Dispatch, Inc., and in no instance will said claim exceed the amount of the actual charge.
 - B. When practical, an estimate for repairs expected to exceed \$250 will be provided, unless deemed an emergency by the Property Manager.
 - C. If Owner personally arranges for repairs or other services, Owner accepts full responsibility for any claims arising from same.
 - D. Owner acknowledges and accepts the legal obligations imposed by ARS 33-1324 to maintain a fit and habitable premises.
- 7. This agreement is effective subject to the following:**
- A. Upon receipt and acceptance of a signed copy with no alternations, deletions or revisions, at Arrowpoint Realty, Inc. Offices.
 - B. The agreement supercedes all previous Management agreements between the parties, even if said agreements have not yet expired.
 - C. Unless cancelled by law, mutual agreement or as provided for herein, this agreement expires **January 31, 2013**, unless both parties demonstrate by their actions a mutual consent to continuing temporarily on a month-to-month basis at the fee schedule specified herein.
 - D. This agreement will terminate upon sale or transfer of title to the property and is not transferable to any subsequent owner, however, any obligations that continue past the termination or expiration of this contract will continue to apply to the owner in this agreement..
 - E. A foreclosure or forfeiture notice posted on or received at the property will terminate the agreement effective the date specified.
 - F. This agreement may be canceled by either party with 30 days advance written notice to the other party by certified mail; however, Owner agrees to immediately satisfy all outstanding obligations in full arising under this agreement, including those due to the Manager; or Owner authorizes an assignment of rents or lien on the property until all such obligations are met.
- 8. The parties agree to abide by all provisions of Federal and State Fair Housing Laws and also of the State of Arizona and not to illegally discriminate in the sale, leasing or management of the property, nor ask the management company to do so.**
- 9. If any provision of this agreement is voided by law or legislation, it will not void the entire agreement but only that specific provision. Language herein will be construed according to its fair and obvious meaning. In the event of a dispute, the parties will submit to mediation or binding arbitration, the cost to be borne by the non-prevailing party or as agreed.**
- 10. If the subject property was built prior to 1978, Owner will provide Property Manager with an executed copy of the AAR Lead based paint addendum to be copied and attached to all rental agreements on the property.**
- 11. This agreement gives property manager specific authority to act on behalf of the Owner in reference to any public utility or homeowner's association for an and all purposes relating to the conscientious management of the subject property.**

<p>12) Acceptance by the Owners. (Please Print clearly or attach pre-printed label)</p> <p>Property address: _____</p> <p>Unit: _____ City: _____ Zip: _____</p> <p>Owner Last Name _____</p>
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W. Michael Novotny GRI
Designated Broker
ARROWPOINT REALTY, INC
9414 E. San Salvador • Suite 227
Scottsdale, AZ 85258



By signing below, you acknowledge that you are or have written authority to act on behalf of the property owner and that you agree to all the terms and conditions contained herein.

x _____ date _____

Property Number _____

x _____ date _____

Date Received _____

Arrowpoint Realty Client Information/Update Form – Help us do a good job - provide complete information and print legibly

Your name
Address

(1) Tax ID #
E-Mail

Distribution Check Override – If you want your checks sent to bank

Bank
Address
City/State Zip
Account #

List vendors currently providing services at your property

Name
Address 1
City/Zip
Type Service
Phone: Tax ID

Name
Address 1
Address 2
Type Service
Phone: Tax ID

For new clients – number of keys/clickers you are providing to us:

Door	Mail	Pool	Gate
Garage	Clubhse	Passcard	Other

- 1) A Social Security or Fed Tax ID # is required for each owner.
- 2) By law pools/spas must be fenced if children are in the property.
- 3) Homes built pre-1978 require a lead-based paint addendum.
- 4) Disclosure required for Homes located within a Superfund area.
- 5) Tenant cannot be held responsible for violations of CC&Rs or HOA rules unless they are provided with said documents.
- 6) All rentals must be registered and out-of state owners must designate a statutory agent in the registration.

Primary Contact
Day phone
Eve phone
Cell
Fax/other

Your Rental Property address

Mail Box# Parking #
√ indicates furnished property and unit phone number

Homeowners Association/Managers Information

Company
Mgr Name:
Phone: Fax:

If you have a Home Warranty Repair/Maintenance Policy

Company _____
Policy #
Phone: Fax:

√ Check to indicate you have multiple units we manage

	Total number of units including this one =	
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√ Indicate Any Items which apply

	The property has a private pool and/or spa
	(2) The private pool and/or spa is legally fenced
	(3) The property was constructed prior to 1978
	(4) Property is within a Superfund area

√ If property is within a Homeowners Association

	Does HOA have pet or vehicle restrictions?
	(5) Have you provided us copies of HOA rules?

	(6) Is property is registered with County Assessor www.Maricopa.gov/Assessor ?
	If you are an out-of-state owner, have you designated Arrowpoint Rlty as Statutory Agent?