



## PROPERTY MANAGEMENT AGREEMENT

This "Agreement", made this 24th day of September and 2018, between TJC Real Estate & Management Services Inc., a Colorado Corporation, hereinafter called the "Manager" and **JOE SMITH** hereinafter called the "Owner".

- 1) Owner is employing Manager to manage, operate, control, collect rents, arrange for maintenance and pay for same from Owner's funds, locate and service tenants for the property known as **0000 ABCD St., Denver, CO 00000**. Property includes: stove, dishwasher, refrigerator, and microwave. Utilities are paid by Owner while vacant and paid by tenant when occupied. HOA fees and the annual wastewater bill are always the Owner's responsibility. Minimum acceptable rent for this property is **\$9999**; minimum acceptable security deposit is equal to one month's rent. Rents below this amount cannot be accepted without Owner approval. Twelve month leases are almost always preferred, but, with Owner approval, leases as short as 6 months can be allowed.
- 2) This Agreement shall begin on **September 01, 2000** and shall be in effect for a period of just over 2 years, and shall expire at midnight on **September 30, 2002**. Owner may terminate this Agreement at any time upon giving thirty (30) days advance written notice to Manager. Manager may terminate this Agreement at any time by giving 48 hour written notice to the Owner. Should Owner terminate the Agreement, Owner agrees all Management and other fees owed to Manager shall be paid in full. In addition, should the Owner cancel this Agreement during the initial lease term signed by a tenant, then the Owner agrees to pay Manager the sum of one-half of one month's rent per unit as a cancellation fee. Upon expiration of the above initial term, this Agreement shall automatically be renewed and extended for a like period of time unless terminated in writing by either party 30 days prior to the date for such renewal. In addition, all terms and conditions of this Agreement are subject to change by Manager, with a 30 day written notice (email is acceptable) issued by Manager.



7476 E. 29<sup>th</sup> Ave.  
Denver, CO 80238

PHONE 303-324-6988  
FAX 303-399-2587  
E-MAIL [Info@TJCRealEstate.com](mailto:Info@TJCRealEstate.com)  
WEB SITE [TJCRealEstate.com](http://TJCRealEstate.com)

- 3) The Owner hereby appoints Manager as his/her lawful agent and attorney-in-fact with full authority to do any and all lawful things necessary for the fulfillment of this Agreement, including but not limited to the following:
  - A. To advertise the property and display signs thereon.
  - B. To show the property to potential tenants - please note that the manager uses both licensed showing agents and non licensed showing agents to show properties to potential tenants.
  - C. To have potential tenants fill out a rental application form and to acquire credit reports from potential renters.
  - D. To collect an application fee for each rental application form from the prospective tenant.
  - E. To conduct due diligence in reviewing credible tenants against the terms agreed upon within this agreement.
  - F. To have a potential tenant sign a lease.
  - G. To collect and return (at Managers sole discretion) security deposits.
  - H. To collect all rents due and as they become due.
  - I. To render to the Owner a monthly accounting of rents received and expenses paid out; and to remit to the Owner all income, less any sums paid out.
  - J. To sign, renew and cancel rental agreements and leases for the property or any part thereof.
  - K. To sue and recover for rent and for loss of or damage to any part of the property and/or furnishings thereof; and, when expedient, to compromise, settle and release any such legal proceedings or lawsuits.
  - L. Manager to terminate tenancies and to sign and serve in the name of the Owner such notices as are appropriate as prescribed by Colorado Law, and prosecute action, to evict tenants to recover possession of said premises and recover rents or release such actions or suits or reinstate such tenancies. Manager agrees to follow all procedures possible to secure responsible tenants. If said tenants fail to live up to the terms of the lease, Owner shall not hold Manager responsible.
- 4) Manager to make or cause to be made and supervise repairs and maintenance and to do routine work necessary when vacated to prepare the unit for re-rental: to purchase supplies and pay all bills thereof. The Manager agrees to secure prior approval of the Owner on expenditures in excess of \$250.00 for any one item, except monthly, or recurring operating charges and emergency repairs in excess of maximum if, in the opinion of Manager, such repairs are necessary to protect the property from damage, prevent damage to life or to the property of others, to avoid suspension of necessary services, to avoid penalties and to maintain services to the tenants as called for in their lease, with the exception of the HVAC system, which will be repaired as needed regardless of the maximum threshold amount. Manager may use Manager's credit card for handling repair costs and any benefits received by Manager for such use will be retained by the Manager.
- 5) Manager reserves the right to use an in-house employee or contractor for any and all maintenance issues. The billing rate will be \$55 per hour for routine handyman items and \$75 per hour for appliance repair, HVAC, and advanced plumbing issues.
- 6) All reasonable expenses incurred by Manager in the operation of the property, including but not limited to those expenses in Paragraph 4, shall be paid for by Owner. Such expenses shall be

deducted from rents paid on the property, or as otherwise agreed upon by Owner and Manager in advance of expenditure. A monthly statement shall be available to the Owner no later than the 15<sup>th</sup> of the month.

- 7) Manager's fee for the above services shall be \$100 per month or 10% of the monthly rents, whichever is greater. The Manager is hereby authorized to deduct this fee and other applicable expenses from said rents each month for the term of this agreement. All late fees collected by Manager are considered compensation for extra management expenses and belong to the Manager. Additionally, there is a leasing fee to be paid by Owner each time a new lease is signed by a tenant on said property, in the amount of one-half of a full month's rent. Should an existing tenant extend or renegotiate their lease (month-to-month extensions do not apply), or should the Manager take over management of the property in the middle of a lease, then the Manager's fee will be reduced to \$200. This fee shall be collected from the first month's payment on said lease, in addition to the monthly management fee.
- 8) Manager performs basic and preventative maintenance during each move-in/move-out of the property, including the final month (when owner takes repossession). Our maintenance person charges \$50 for labor for this service.
- 9) Pets are not allowed without Owner approval. Should pets be allowed, then the tenant will be charged \$500, half of which shall be refundable and half of which shall be a non-refundable pet fee. Please note that service animals and qualifying emotional support animals (ESA) are not deemed to be pets for leasing purposes and Manager may not charge pet fees or additional deposits for such service or ESA. In addition, the fact that a prospective tenant has a service animal or ESA may not be used as a disqualifying factor in leasing the Property to such tenant (even if Owner has requested that no pets are to be allowed on the Property).
- 10) Tenant Fees: The Manager reserves the right to charge administrative fees to tenants. These fees are collected and retained by and for by the Manager and not disbursed to the Owner. Currently, such fees include, but are not limited to, the following, and are subject to change:
  - Pet Administrative fee (if applicable)– \$125
  - Roommate change fee - \$125
  - Application fee - \$35
  - Trash Removal Fee - \$100
  - Cleaning coordination fee - \$50
  - Various fees for replacement of keys/garage remotes/CO detectors/Fire extinguishers
- 11) Carbon Monoxide (CO) detectors are required by State of Colorado to be installed within 15 feet of each bedroom (or other room lawfully used for sleeping purposes), with at least one CO detector per floor, or in any location otherwise specified by a state or local building code. Fire extinguishers are required by the City of Denver to be located on the premises. Manager purchases these in bulk and will install the necessary CO detectors and one fire extinguisher in premises, at the unit cost of \$55

for a CO detector and \$55 for a fire extinguisher, which includes cost of unit, installation, batteries, and testing.

- 12) From time to time, tenants request to break their lease, for various reasons. The Manager requires the tenant not only continue to pay rent until a new tenant moves into the home, but also pay a lease break fee. At the Manager's sole discretion, this lease break fee, while usually ½ month's rent, can be as high as a full month's rent and as low as \$125.
- 13) Should it become necessary to oversee major repairs and/or projects to the property, especially those involving the management of insurance claims, during the duration of this Agreement, a supervisory fee of \$250 shall be charged to the Owner to cover administrative costs. This fee shall be waived should the Owner chose to manage the insurance company and claims without Manager involvement.
- 14) To cover the cost of general supplies provided to the property (keys, light bulbs, furnace filters, batteries, printing flyers, etc.), tenant screening costs, the time involved of marketing the property to non-TJC Real Estate websites (such as Craig's List), and the cost of providing to and coordinating with the Owner the IRS mandated 1099 form, the Manager charges an annual coordination fee of \$100, to be charged on July 1 of each year.
- 15) Owner agrees to receive 1099 forms each year electronically as posted to their Owner's Portal, and waives the need to receive a paper copy.
- 16) Owner agrees to indemnify and hold harmless the Manager from any and all claims, demands, charges, debts, or lawsuits, including but not limited to necessary attorney's fees, from any liability for injury suffered on or about the premises by any person, and in connection to management unless they arise from the intentional misconduct of Manager.

Both Owner and Manager hereby agree that should litigation occur between the parties, that any Attorney fees requested by, or awarded to, either party shall be capped at \$600 total.

- 17) Manager will retain all security deposits received from tenants per term of the lease, or until such time as a tenant defaults on the lease and the deposit is forfeited for the benefit of the Owner. Manager reserves the right to allow the tenant to break up security deposit into two payments, payable no later than 2<sup>nd</sup> month of lease term. The Owner understands and agrees that funds will be deposited in an interest bearing account (which may be a timed deposit with penalty account, commonly referred to as a "CD") that the Manager reserves distinctly for security deposits and will not be co-mingled with any of the Manager's personal funds. Owner further understands that interest from security deposits will be used to offset banking fees and accounting costs. The interest will not be credited to Owner. Owner also understands that the Owner will not participate in the tenant security deposit return process and that the Manager's decision on what to withhold and not withhold from the deposit are at the sole discretion of the Manager and are final.

Should this Agreement terminate before the expiration of a tenant lease agreement, the Owner shall have full legal obligation and responsibility over the tenant's security deposit, including but not

limited to the proper accounting and disposition process to the tenant, and any resulting legal actions.

- 18) Owner will maintain homeowners insurance on the property at all times. The policy must include the Manager as an additional insured and it is recommended, for townhomes and condominiums, that the policy include HOA gap coverage.

Manager requires tenants, as part of the Lease Agreement, to acquire Renters Insurance. This insurance must include both the Manager and the Owner as additional insured. Please note that tenants routinely change and cancel their insurance policies, and because of this the Manager does not track or keep a log of these insurance policies. However, the Lease Agreement does enable the Manager to request a copy of the tenant's Renters Insurance policy at any time.

- 19) Owner must comply with all local, State, and Federal laws, including but not limited to Fair Housing requirements.
- 20) Owner hereby certifies that any mortgages and/or debts on the property are current and that the property is not in any stage of foreclosure. Manager reserves right to terminate this Agreement immediately and without any notice should all debts on the property not be current and/or the Owner begins bankruptcy proceedings.
- 21) Manager will, at the Owner's expense, bring the home up to the Managers 'move in ready' standards. This includes, but is not limited to, arranging to have the property professionally cleaned, including carpets, and any other minor maintenance required after current occupants (including the Owner) vacate the property, and pay for service out of first month's rent proceeds due to the Owner.
- 22) Owner agrees to have no contact with the tenant(s). Furthermore, Owner agrees and understands that if Owner has any contact with the tenant(s) in person, via mail, phone, email or otherwise, should a legal dispute result in litigation, the Owner may have to testify in person at any legal proceeding.
- 23) If applicable, window well covers must be provided by the Owner, at the Owner's expense, prior to any tenant moving in. If necessary, Manager will coordinate quote, purchase, and installation.
- 24) The Manager will not be responsible for any non-permanent attached Owner items (such as grills, furniture, lawn equipment, iron boards, etc.) that the Owner leaves on the premises.
- 25) When marketing the property, the Manager reserves the right to include information about other properties that the Manager has available in all marketing materials and advertisements.
- 26) Manager is a full services real estate brokerage with over 15 active real estate agents. They provide various real estate services, including but not limited to purchase and sale of residential properties, as well as the purchase, sale and leasing of commercial properties. Manager's agents may actively market and represent buyers, sellers, landlords and tenants in all the markets they serve. As a result, Manager's agents may on occasion work with and represent a tenant in the purchase of a home.



1 The printed portions of this form have been approved, except differentiated additions, by the Colorado Real Estate Commission.  
2 (BDA55-5-09) (Mandatory 7-09)

3  
4 **THIS FORM HAS IMPORTANT LEGAL CONSEQUENCES AND THE PARTIES SHOULD CONSULT LEGAL AND TAX**  
5 **OR OTHER COUNSEL BEFORE SIGNING.**

6  
7 **DIFFERENT BROKERAGE RELATIONSHIPS ARE AVAILABLE WHICH INCLUDE LANDLORD AGENCY, TENANT**  
8 **AGENCY, BUYER AGENCY, SELLER AGENCY OR TRANSACTION-BROKERAGE.**

9  
10 **BROKERAGE DUTIES ADDENDUM**  
11 **TO PROPERTY MANAGEMENT AGREEMENT**  
12 **(Leasing Activities)**

13  
14  **LANDLORD AGENCY**     **TRANSACTION-BROKERAGE**

15  
16 This Brokerage Duties Addendum (Addendum) is made a part of the agreement for the management and leasing of the Property known  
17 as \_\_\_\_\_ (Property),  
18 which is dated \_\_\_\_\_, between Brokerage Firm and Landlord (Agreement). This Addendum supplements  
19 the Agreement.  
20

21 **1. BROKER AND BROKERAGE FIRM.**

22  **1.1. Multiple-Person Firm.** If this box is checked, the individual designated by Brokerage Firm to perform leasing services  
23 for Landlord is called Broker. If more than one individual is so designated, then references in this Addendum to Broker shall include all  
24 persons so designated, including substitute or additional brokers. The brokerage relationship exists only with Broker and does not extend  
25 to the employing broker, Brokerage Firm or to any other brokers employed or engaged by Brokerage Firm who are not so designated.

26  **1.2. One-Person Firm.** If this box is checked, Broker is a real estate brokerage firm with only one licensed natural person.  
27 References to Broker or Brokerage Firm mean both the licensed natural person and brokerage firm who shall perform leasing services for  
28 Landlord.  
29

30 **2. DEFINED TERMS.**

31 **2.1. Landlord:** \_\_\_\_\_

32 **2.2. Brokerage Firm:** \_\_\_\_\_

33 **2.3. Broker:** \_\_\_\_\_

34 shall act for or assist Landlord when performing leasing activities in the capacity as shown by the box checked at the top of this page 1.  
35

36 **3. BROKERAGE RELATIONSHIP.**

37 **3.1.** If the Landlord Agency box at the top of page 1 is checked, Broker shall represent Landlord as a limited agent  
38 (Landlord's Agent). If the Transaction-Brokerage box at the top of page 1 is checked, Broker shall act as a Transaction-Broker.

39 **3.2. In-Company Transaction – Different Brokers.** When Landlord and tenant in a transaction are working with different  
40 brokers, those brokers continue to conduct themselves consistent with the brokerage relationships they have established. Landlord  
41 acknowledges that Brokerage Firm is allowed to offer and pay compensation to brokers within Brokerage Firm working with a tenant.

42 **3.3. In-Company Transaction – One Broker.** If Landlord and tenant are both working with the same broker, the parties  
43 agree the following applies:

44 **3.3.1. Landlord's Agent.** If the Landlord Agency box at the top of page 1 is checked, the parties agree the following  
45 applies:

46 **3.3.1.1. Landlord Agency Only.** Unless the box in § 3.3.1.2 (**Landlord Agency Unless Brokerage**  
47 **Relationship with Both**) is checked, Broker shall represent Landlord as Landlord's Agent and shall treat the tenant as a customer. A  
48 customer is a party to a transaction with whom Broker has no brokerage relationship. Broker shall disclose to such customer Broker's  
49 relationship with Landlord.

50  **3.3.1.2. Landlord Agency Unless Brokerage Relationship with Both.** If this box is checked, Broker shall  
51 represent Landlord as Landlord's Agent and shall treat the tenant as a customer, unless Broker currently has or enters into an agency or  
52 Transaction-Brokerage relationship with the tenant, in which case Broker shall act as a Transaction-Broker.

53 **3.3.2. Transaction-Broker.** If the Transaction-Brokerage box at the top of page 1 is checked, or in the event neither  
54 box is checked, Broker shall work with Landlord as a Transaction-Broker. A Transaction-Broker shall perform the duties described in §  
55 4 and facilitate lease transactions without being an advocate or agent for either party. If Landlord and tenant are working with the same  
56 broker, Broker shall continue to function as a Transaction-Broker.  
57

58 **4. BROKERAGE DUTIES.** Brokerage Firm, acting through Broker, as either a Transaction-Broker or a Landlord's Agent, shall  
59 perform the following **Uniform Duties** when working with Landlord:

60 **4.1.** Broker will exercise reasonable skill and care for Landlord, including, but not limited to the following:

61 **4.1.1.** Performing the terms of any written or oral agreement with Landlord;

62 **4.1.2.** Presenting all offers to and from Landlord in a timely manner regardless of whether the Property is subject to a  
63 lease or letter of intent to lease;

64 **4.1.3.** Disclosing to Landlord adverse material facts actually known by Broker;

65 **4.1.4.** Advising Landlord regarding the transaction and advising Landlord to obtain expert advice as to material

66 matters about which Broker knows but the specifics of which are beyond the expertise of Broker;  
 67 **4.1.5.** Accounting in a timely manner for all money and property received; and  
 68 **4.1.6.** Keeping Landlord fully informed regarding the transaction.  
 69 **4.2.** Broker shall not disclose the following information without the informed consent of Landlord:  
 70 **4.2.1.** That Landlord is willing to accept less than the asking lease rate for the Property;  
 71 **4.2.2.** What Landlord's motivating factors are to lease the Property;  
 72 **4.2.3.** That Landlord will agree to lease terms other than those offered;  
 73 **4.2.4.** Any material information about Landlord unless disclosure is required by law or failure to disclose such  
 74 information would constitute fraud or dishonest dealing; or  
 75 **4.2.5.** Any facts or suspicions regarding circumstances that could psychologically impact or stigmatize the Property.  
 76 **4.3.** Landlord consents to Broker's disclosure of Landlord's confidential information to the supervising broker or designee for  
 77 the purpose of proper supervision, provided such supervising broker or designee shall not further disclose such information without  
 78 consent of Landlord, or use such information to the detriment of Landlord.  
 79 **4.4.** Brokerage Firm may have agreements with other landlords to market and lease their property. Broker may show  
 80 alternative properties not owned by Landlord to other prospective tenants and list competing properties for lease.  
 81 **4.5.** If all or a portion of the Property is subject to a lease, or letter of intent to Lease, obtained by Broker, Broker shall not be  
 82 obligated to seek additional offers to lease such portion of the Property.  
 83 **4.6.** Broker has no duty to conduct an independent inspection of the Property for the benefit of tenant and has no duty to  
 84 independently verify the accuracy or completeness of statements made by Landlord or independent inspectors.  
 85 **4.7.** Landlord understands that Landlord shall not be liable for Broker's acts or omissions that have not been approved,  
 86 directed, or ratified by Landlord.  
 87

88 **5. ADDITIONAL DUTIES OF LANDLORD'S AGENT.** If the Landlord Agency box is checked, Broker is Landlord's Agent,  
 89 with the following additional duties:

- 90 **5.1.** Promoting the interests of Landlord with the utmost good faith, loyalty and fidelity.
- 91 **5.2.** Seeking rental rates and terms that are acceptable to Landlord.
- 92 **5.3.** Counseling Landlord as to any material benefits or risks of a transaction that are actually known to Broker.

93 **6. MATERIAL DEFECTS, DISCLOSURES AND INSPECTION.**

94 **6.1. Broker's Obligations.** Colorado law requires a broker to disclose to any prospective tenant all adverse material facts  
 95 actually known by such broker including but not limited to adverse material facts pertaining to the title to the Property, the physical  
 96 condition of the Property, any material defects in the Property, and any environmental hazards affecting the Property required by law to  
 97 be disclosed. These types of disclosures may include such matters as structural defects, soil conditions, violations of health, zoning or  
 98 building laws, and nonconforming uses and zoning variances. Landlord agrees that any tenant may have the Property and Inclusions  
 99 inspected and authorizes Broker to disclose any facts actually known by Broker about the Property. Broker shall not be obligated to  
 100 conduct an independent investigation of the tenant's financial condition except as otherwise provided in the Agreement.

101 **6.1.1. Required Information to County Assessor.** Landlord consents that Broker may supply certain information to  
 102 the county assessor if the Property is residential and is furnished.

103 **6.2. Landlord's Obligations.**

104 **6.2.1. Landlord's Property Disclosure Form.** A landlord is not required by law to provide any particular disclosure  
 105 form. However, disclosure of known material latent (not obvious) defects is required by law. Landlord  **Agrees**  **Does Not Agree**  
 106 to provide a written disclosure of adverse matters regarding the Property completed to the best of Landlord's current, actual knowledge.

107 **6.2.2. Lead-Based Paint.** Unless exempt, if the improvements on the Property include one or more residential  
 108 dwellings for which a building permit was issued prior to January 1, 1978, a completed Lead-Based Paint Disclosure (Rental) form must  
 109 be signed by Landlord and the real estate licensees, and given to any potential tenant in a timely manner.

110 **6.2.3. Carbon Monoxide Alarms.** Landlord acknowledges that, unless exempt, if the Premises includes one or more  
 111 rooms lawfully used for sleeping purposes (Bedroom), an operational carbon monoxide alarm must be installed within fifteen feet of the  
 112 entrance to each Bedroom or in a location as required by the applicable building code, prior to offering the Property for sale or lease.  
 113  
 114

115 **7. ADDITIONAL AMENDMENTS:**

116  
 117  
 118  
 119 Date: \_\_\_\_\_ Date: \_\_\_\_\_  
 120  
 121  
 122  
 123 \_\_\_\_\_  
 124 Landlord Landlord  
 125  
 126 Date: \_\_\_\_\_  
 127 \_\_\_\_\_  
 128 Broker  
 129 Brokerage Firm's Name: \_\_\_\_\_  
 130