

SJT Property Management, Inc. Agency Agreement

This Agency Agreement (hereafter the "Agreement") has been entered into between SJT Property Management, Inc. and _____ hereafter ("Owner").

1. AGENCY: Owner hereby appoints SJT Property Management, Inc. as Owner's agent (hereafter "Agent") to rent, lease and manage the Owner's property (hereafter the "Premises") located at: _____

Owner represents that he/she/they are the owners of the Premises and have full legal authority to enter into this Agreement.

2. TERM: The term of this Agreement shall commence on _____ and terminate on _____. This Agreement shall automatically renew for successive terms of one year each unless terminated as provided for herein. Either party may terminate this Agreement at the end of any term upon written notice delivered to the other party at least (30) thirty days prior to the expiration of such term. This Agreement may also be terminated upon no less than 30 days advance written notice in the event of demonstrable lack of performance by the Agent, or Owner's occupancy of the Premises. In the event of a sale of the Premises, Owner agrees to give Agent at least 30 days advance written notice of the closing date for the sale of the Property and this Agreement will automatically terminate upon the closing date. Agent may terminate this Agreement if Owner fails to comply with any provisions of this Agreement within 30 days after delivery of notice specifying such noncompliance.

3. THE AGENT AGREES:

- a) To manage the Premises for the period stated above and to use its best skills and efforts to supervise the rental and maintenance of the Premises and to furnish the services described herein.
- b) To inform the Owner of circumstances reasonably requiring Owner's attention which are not the Agent's responsibility.
- c) To deliver to Owner a monthly accounting statement of all receipts and disbursements.
- d) To remit to Owner each month the net proceeds received from the rental of the Premises with the monthly statement.
- e) To deposit rents and reserves in a client trust account in Agent's name for the benefit of the Owner. Owner acknowledges that any interest earned on funds in the trust account will accrue and belong to the Agent and not the Owner.
- f) In the event that expenses to rent and maintain the Premises, or to enforce the rental agreement, or to otherwise comply with Agent's obligations under this Agreement exceed the receipts, the Owner agrees to pay such excess expenses to Agent within 10 days of being notified of such excess expenses. Nothing contained herein shall obligate the Agent to advance its own funds. Owner acknowledges that if there are insufficient funds, Agent may not be able to pay all charges associated with the Premises and may cease making all disbursements to or on behalf of Owner, including debt services, until such funds have been collected. Agent shall promptly notify Owner in the event of insufficient funds.

4. PROCESSING, LATE, NSF AND OTHER FEES:

Agent may assess processing fees to prospective tenants for rental of the Premises for screening and other administrative costs involved with placing a renter in the Premises. Agent shall be entitled to all processing, NSF and other fees charged to tenants, which shall not be considered

rental income as defined herein. Upon receipt, late fees shall be split as follows: 50% to Owner, and 50% to Agent. Agent reserves the right to waive late fees.

5. THE OWNER AGREES:

To give Agent the following authority and agrees to pay all legal fees and expenses connected therewith:

- a) To advertise or otherwise offer the Premises for lease or rent through printed media, display appropriate signage on the Premises and any other form of advertising deemed appropriate to attract prospective tenants. Advertising may be placed as general SJT Property Management ads, the cost of which shall be equally split among all available rental properties at the time the advertisement is placed. The cost of advertising specifically about the Premises shall be the full responsibility to Owner.
- b) To negotiate and execute rental agreements i.e. leases, renewals and month to month, in duration.
- c) To collect rental income from the Premises and to provide a proper accounting to Owner and described in Section 3 - c & d above.
- d) To set and adjust the rental schedule for the Premises under the prevailing market conditions with Owner's concurrence.
- e) To institute and prosecute actions to remove tenants from the Premises and recover possession thereof. To terminate tenancies, sign and deliver notices as deemed appropriate in the normal operation of the Premises. To respond to Writs of Garnishment and other legal proceedings if Agent is served with process in its capacity as the Agent of Owner. To institute civil actions for the recovery of rent and damages and to settle and compromise such actions at Agent's discretion. Agent shall not be obligated to commence civil action or collection efforts if, in the Agent's opinion, such action is not economically viable.
- f) To allow Agent the authority to hire, pay, supervise and discharge such employees and vendors as Agent deems reasonably necessary to maintain the Premises for rental. Such persons shall be employees or hired vendors of the Agent. Agent is responsible for the acts and omissions of any hired employee but not for vendors.
- g) To contract for and arrange decoration, repairs or alteration to the Premises as deemed appropriate by the Agent to enhance and preserve the Premises in its present condition and for the normal and routine maintenance and operating efficiency of the Premises. Owner authorizes Agent to deduct and disburse these expenses from Owner's account as normal operating expenses of the Premises. Owner agrees to deposit with Agent and allow Agent to maintain a reserve balance in its trust account in the amount of \$100.00. Funds in the reserve account shall be used for normal and routine maintenance and to facilitate rental of the Premises. Repair limits for any single item of expense (non-recurring) shall not exceed \$ 100.00 without the Owner's prior approval. Sums in excess of the repair limit may be expended by Agent in the event of an emergency, if such repairs are necessary to protect the Premises from damage or waste and to maintain essential services to tenants in compliance with applicable Oregon law.
- h) To acknowledge the proper treatment of tenant's security deposit and to comply with applicable state and local laws concerning the Owner's and Agent's responsibility to follow proper procedures to account for the security deposit account. Owner acknowledges that the tenant's security deposit must be disbursed within thirty one days from termination of the tenancy. Owner authorizes Agent to deposit and maintain tenant's security deposit during the tenancy for the term of this Agreement in the client trust account.
- i) Owner understands and acknowledges Agent's right to pay referral fees to licensed Agents for referral of management services. In the event Owner should choose to sell the

Premises, Owner authorizes Agent to notify the referring Agent of Owner's decision to place Premises on the market for sale.

6. **LIABILITY AND INDEMNIFICATION:** The Owner agrees:
- a) To pay for all expenses incurred by Agent in carrying out its duties pursuant to this Agreement including, but not limited to, the retention of attorneys to defend Agent and/or Owner from any claim, suit, action, demands or other proceedings brought by the tenant, State or Federal or local laws, including laws relating to fair credit reporting, environmental protection, taxes, fair employment discrimination, garnishment, etc.
 - b) To defend, hold harmless and indemnify Agent from all damages, suits, claims, actions or proceedings arising out of the discharge of Agent's duties pursuant to this Agreement or any actions arising out of the condition of the Premises except for those circumstances occasioned by Agent's negligence in the performance of its duties hereunder.
 - c) Owner shall procure and maintain liability insurance on the Premises with coverage of no less than \$ _____ combined single limit. Owner shall provide proof of insurance, naming Agent as an additional insured. Agent has no obligation or responsibility to obtain this insurance. Agent reserves the right to obtain public liability insurance on behalf of the Owner if Owner fails to provide said insurance and shall charge the Owner's account for the premiums.
 - d) Owner's and Agent's obligations shall survive the termination of this Agreement.

7. **COMPENSATION:**

Owner agrees to compensate Agent before the last day of each month during the term of this Agreement as follows:

- a) A sum equal to 8 % percent of the monthly gross receipts collected in connection with the rental of the Premises during the period of this Agreement. Gross receipts are defined as gross scheduled rent and laundry income. Compensation shall be automatically deducted from Owner's profit check each month and will be outlined in the monthly accounting statement.
- b) All inquiries to lease the Premises shall be referred to the Agent who will be solely authorized to service such leasing activities. In the event of any new or renewed lease without Agent's knowledge or participation, Agent shall be entitled to the full compensation as provided for in this Agreement.
- c) Any additional requests from Owner for Agent to provide services in connection with the Premises that are not described in this Agreement shall be charged to the Owner at a rate of \$35.00 per hour upon completion. Except in emergency situations, Agent shall not charge Owner for any services that are not described in this Agreement without obtaining the prior consent of Owner to perform such services.

8. **ATTORNEY FEES:**

a) **No Suit or Action Filed.** If this Agreement is placed in the hands of an attorney due to a default in the payment or performance of any of its terms, the defaulting party shall pay, immediately upon demand, the other party's reasonable attorney fees and collection costs even though no suit or action is filed thereon, and any other fees or expenses incurred by the nondefaulting party.

b) **Arbitration or Mediation; Trial and Appeal.** If any arbitration, mediation, or other proceeding is brought in lieu of litigation, or if suit or action is instituted to enforce or interpret any of the terms of this Agreement, or if suit or action is instituted in a

Bankruptcy Court for a United States District Court to enforce or interpret any of the terms of this Agreement, to seek relief from an automatic stay, to obtain adequate protection, or to otherwise assert the interest of either party in a bankruptcy proceeding, the party not prevailing shall pay the prevailing party's costs and disbursements, and such sums as the court may determine to be reasonable for the prevailing party's attorney fees connected with the trial and any appeal and by petition for review thereof.

9. WRITTEN NOTICES:

Written notices required herein and other correspondences shall be mailed to Owner at the following address: _____ and to Agent at **PO Box 2252 – Bend, Oregon 97709**. Notice shall be deemed delivered when deposited in the US Mail when such notice has been properly addressed and has postage prepaid.

10. ASSIGNMENT AND MODIFICATION:

This Agreement may not be assigned or modified except in writing, signed by all parties.

Owner agrees to all terms listed in this Agreement and by signing below is acknowledging the execution of a legal binding contract.

Executed this _____ day of _____ 20 _____.

Owner

Owner

Sally J Trent, President
SJT Property Management, Inc.
PO Box 2252
Bend, OR. 97709
Phone: 541-306-8830
Fax: 541-617-4533
Sally@SJTPropertymanagement.com

Owner contact information:

Phone: _____

Cell: _____

Fax: _____

Email: _____