



Full-Service Management Agency Agreement

This agreement has been created between Lava Ridge Property Management LLC, hereby referred to as agent, landlord, or LRPM and _____ (owners).

1. **AGENCY:** The owner hereby appoints Lava Ridge Property Management LLC as owner’s agent to rent, lease, and manage the owner’s property located at: _____ **Map and Taxlot:** _____
The property is described as follows: _____

Lava Ridge Property Management LLC internal property reference: _____

2. **TERM:** This agency agreement shall commence on _____ for a period of twenty-four (24) months, expiring on _____. After the initial 24-month contract expires, this agreement shall remain in effect on a month-to-month contract. Additional information regarding the termination of this agreement is in section 21.

3. MANAGEMENT SERVICE INCLUDED

- a. The leasing office is open daily, Monday – Friday, for daily customer service and on weekends by appointment.
- b. 24/7/365 emergency line for all renters and owners
- c. Professionally trained and educated team/ staff to oversee the daily operations.
- d. Compliance with and continuing education on fair housing and all local, state, and federal laws
- e. Amazing technology to help your investment rent quickly, stay maintained, and keep tenants happy to stay.
- f. Owners can customize some services to fit the property’s and investment needs.
- g. To follow and comply with all state, federal, and local laws. LRPM shall participate in all the State of Oregon real estate laws and licensing requirements. The agent will not be required or expected to violate any law or discriminate against a renter, customer, or person doing any business with Lava Ridge Property Management.

SHOWING AND LEASING

- h. Prepare a written ‘Leasing Plan’ for each turnover.
- i. Answer all leasing inquiries – calls, emails, social media, and any communication avenue presented.
- j. Showing coordination with personal tours and open houses when needed
- k. Online application with multipoint screening– *see screening guidelines*
- l. Pet screening and verification www.petscreening.com
- m. Collect rent, other funds and prepare rental paperwork as described in the *Leasing Plan*
- n. Marketing efforts through online platforms, social media, signage, and more
- o. Quality and professional marketing photos

TURNOVER

- p. Facilitate turnover with a goal of minimal vacancy.
- q. Security deposit processing and distribution
- r. Move-in condition photos, inspection, and report
- s. Move-out condition photos, inspection, and report
- t. To provide a list of recommended services, repairs, and maintenance to be performed on the property to prepare the home for new renters and complete any final accounting statements of previous tenants/renters
- u. Oversee all vendors in turnover, prepare homes, and preschedule to minimize vacancy
- v. Confirm homes are maintained, cleaned, and ready for new renters to occupy

INSPECTIONS

- w. Monthly drive-by exterior inspections with pictures
 - i. Extreme storms provide additional visits, calls, and emails to property/renters as deemed necessary
 - ii. Renters with 24 months of occupancy, no violations, complaints, or concerns on quarterly drive-bys
- x. 6-month ‘wellness check’ inspection after move-in
- y. Annually - Full property inspection by administrative & maintenance staff – report and photos included
- z. Turnover – Full documented inspections performed by administrative & maintenance staff
 - i. Move-out inspection to determine turnover needs and renter vs. owner charges
 - ii. Move-in inspection documents condition and confirms that all work performed and approved during turnover is professionally completed.

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ONGOING SERVICES

- aa. Collect rent and other funds
- bb. 24/7/365 renter online access for payments, communication, contact updates, maintenance requests
- cc. 24/7/365 owner online access for reports, bill approval, invoice review, statements, and communication
- dd. Resolve, communicate, mitigate, and/or oversee renter questions, complaints, disputes, needs and concerns
- ee. Facilitate and manage all;
 - i. Legal matters and evictions.
 - ii. Tenant issues, complaints, and concerns
 - iii. Lease changes, i.e. roommates, names, occupant changes.
 - iv. HOA compliance, communication, and violations
 - v. Maintenance requests with troubleshooting
- ff. Landscaping and snow removal compliance and management
- gg. Lease renewals—Communication with owners on market conditions and suggestions of terms to offer renters is completed approximately 120 days before the expiration of the current lease.
- hh. Monthly statements and receipts prepared as property reports and emailed to owners
- ii. ACH direct deposit of rental proceeds

MAINTENANCE

- jj. Review all service issues, maintenance requests, and repairs by trained maintenance staff
 - i. Troubleshoot with renters to minimize maintenance costs and evaluate renter vs owner charges
 - ii. Communication with owners of all submitted service issues before any work is performed
 - iii. In-house maintenance staff available
 - 1. Maintenance, labor, and material costs are not included in management services and will be billed to the owner separately.
- kk. Oversee vendors hired to complete necessary repairs, maintenance, or improvements approved by the owner to prepare the property for new move-in, periodic maintenance, preventive maintenance, or any visit related to work performed on the property.
- ll. Facilitate reoccurring maintenance and annual preventive maintenance.
- mm. Facilitate all essential turnover work, regular recurring services, basic maintenance performed through the LRPM Maintenance department, and preventive maintenance items approved on the annual property plan.
 - i. Property/unit improvements, upgrades, remodeling, and project work are facilitated and managed through LRPM and are subject to additional charges. *see section 5(h)i.
 - ii. The facilitation of this work does not include the cost invoiced from the LRPM maintenance department or outside vendors.

4. **THE AGENT AGREES:**

- a. To manage the property, use its best skills and efforts to supervise the operation and maintenance of the premises, along with the services described herein.
- b. Inform the owner of circumstances reasonably requiring the owner's attention that are not the agent's responsibility.
- c. To initiate payment to the Owner each month of the net proceeds received from the property on or before the last day of each month for the current month's activity.
 - i. Proceeds are paid as an electronic transfer and can take 3-5 business days to process.
- d. To email a detailed monthly accounting statement of all receipts and disbursements associated with the property no later than the third (3rd) day of each calendar month for the previous month's activity.
- e. To handle rents and reserves in a client's trust account in the agent's name for the owner's benefit. Any interest earned on the trust account will accrue to the agent, not the owner.
- f. If the disbursements and charges exceed the receipts, the owner agrees to pay such excess sums within ten (10) days after the agent's notification.
 - i. If there are insufficient funds to cover all monthly costs, the agent will notify the owner immediately to discuss the account and decide how to cover the insufficient funds. Nothing herein shall obligate the agent to advance its funds to cover the owner's expenses.
- g. Actions performed by Lava Ridge Property Management as part of the agreement in its entirety.
 - i. The owners' or tenants' excessive needs above and beyond the basic scope of duties listed below are subject to additional management fee charges, as discussed in the Compensation and Fees section.

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5. **THE OWNER AGREES:** To give the agent the following authority indicated in this agreement and connected there within:
- a. To advertise or otherwise offer the premises for lease or rent through printed media, displaying appropriate signage and any other form of advertising deemed appropriate to attract prospective tenants. Available rental advertising may be placed as a general ad for Lava Ridge Property Management LLC or a specifically targeting ad for the property.
 - b. Forward all lease inquiries to the agent who is solely authorized to service such leasing activities. In case of any new or renewed lease without the agent's knowledge or participation, the agent shall be entitled to the full commission in section 14(c).
 - c. To negotiate, modify, and execute rental agreements.
 - d. To collect funds from renters, vendors, and any party or person linked to the management and rental services.
 - e. Set and adjust the rental schedule for the property under prevailing market conditions with the owner's consent.
 - f. To institute and prosecute actions to remove tenants from the premises and recover possession. To terminate tenancies, enforce rental/lease agreements, and sign and deliver notices as deemed appropriate in the regular operation of the premises. To institute civil actions to recover rent and damages and to settle and compromise such actions at the agent's discretion. The agent shall not be obligated to commence a civil action or collection efforts if the agent believes such action is not economical. The agent agrees to communicate fully with the owner for any such legal action.
 - g. To allow the agent the authority to hire, pay, supervise, and discharge such employees and vendors as the agent deems necessary for the operation and management of the property and Lava Ridge Property Management LLC. Such persons shall be employees or hired vendors of the agent. The agent is responsible for the acts and omissions of any hired employee but not hired vendors. All vendors shall have required licensing, insurance, and bonds required. Owners may request the use of a specific vendor; however, Lava Ridge Property Management reserves the right to deny this request if the vendor does not have proper licensing or insurance, is challenging to work with, or does not perform their work or communicate to the standards of LRPM.
 - h. To authorize the agent to contract for and arrange decoration, repairs, or alteration to the property as deemed appropriate by the agent, concurrent with owner approval, to enhance and preserve the property condition before and during the tenancy.
 - i. Any improvements, repair, alteration, maintenance work, or such outside the LRPM maintenance department, essential turnover work, annual preventive maintenance, ongoing and recurring services is subject to a general contracting fee of 10% added to all vendor invoices. Examples of this work are flooring replacements, painting, appliance replacement and repair work, bathroom remodels, new fencing, etc. This work is considered outside of regular or preventive maintenance on the property and requires additional service, inspections, and documentation. The fee ensures that all work is completed professionally, within the requirements of all building codes, bid for the best price vs service, and documented and maintained warranties. If the owner pays vendors directly, the 10% fee is still subject to be charged based on the involvement of LRPM.
 1. This fee is NOT charged for essential turnover work, regular recurring services, basic maintenance performed through the LRPM Maintenance department, and preventive maintenance items approved on the annual property plan.
 - i. To allow the deduction and disbursement of all expenses from the owner's property account and tenant deposits as regular operating expenses. This property's repair/expense limit is **\$300.00 per occurrence**. Any repair/expense over this limit shall require the owners' approval before work is performed.
 - i. If a repair/expense is associated with habitability, essential services, is necessary to protect the property from damages or waste or is associated with the compliance of any tenancy/housing laws, the repair limit listed above shall not hold or stop work that needs to be completed. The agent will use its best efforts to communicate with the owner. If the agent cannot reach the owner regarding such repair, the agent may exceed the repair/expense limit in the best interest of all parties.
 - j. To acknowledge the proper treatment of the tenant's security deposit and to comply with applicable state and local laws concerning the owner's and agent's responsibility for security deposit account procedures. The owner acknowledges that the tenant's security deposit must be disbursed within thirty-one (31) days from the termination of tenancy.
6. To allow LRPM complete control of all keys and property access. Owners cannot enter the property without communication and coordination through LRPM.
- a. The owner understands that due to safety practices within LRPM's culture, all turnovers include changing all locks at the owner's expense.

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7. Due to the severity of all fair housing, privacy, landlord, and contract laws, all communication with tenants and vendors must go through the Lava Ridge office. Owners shall not communicate with tenants or vendors without prior approval from LRPM.
8. **PROCESSING, LATE, NSF, AND OTHER FEES charged to RENTERS:** The Agent may assess processing fees to prospective renters for rental of the premises, for screening and other administrative costs involved with placement onto the property, and for management services. The agent shall be entitled to 100% of all processing, application, banking, late fees, and other fees charged to renters, which shall not be considered rental income. If these fees are processed through the owner's account, they will be reflected in annual reporting and tax documents.
 - a. **EXCEPTION to 100% collection of fees** → If a tenant is charged an early termination fee, lease buyout fee, or cancellation fee – LRPM shall retain 33% of this fee.
9. **OWNER STATEMENTS and PROCEED DEPOSITS**
 - a. The Owner proceeds, including funds collected and disbursed by all parties within a calendar month and processed through Lava Ridge Property Management LLC, shall be paid once a month. Available funds are processed, and transfers are initiated by the last day of each month. Electronic funds can take up to 5 business days to show in an owner's account after initiation.
 - i. Statements shall be emailed to the owner within three days of month-end closing. Owners may access their accounts and generate statements anytime through their owner portal.
 - ii. Funds shall be transferred to the owner's account as an electronic direct deposit—no paper checks.
 - b. Compensation, fees, and invoices associated with the property shall be deducted from collected rents and income.
 - c. LRPM shall hold a property reserve balance of **\$100.00** in the owner's account at the end of each calendar month.
 - i. Due to pending/upcoming vendor invoicing or expenses, fluctuating move-in dates, and circumstances outside the agent's control, the agent may increase the property reserve balance to cover anticipated expenses.
10. **LIABILITY AND INDEMNIFICATION:** The Owner agrees:
 - a. Except for claims, actions, and judgments arising from the agent's negligence, breach of this agreement, or willful misconduct, the Owner will indemnify and hold harmless the agent's (and the agent's officers, directors, shareholders, agents, employees) from all costs, expenses, suits, liabilities, claims of every type including but not limited to those arising out of injury or death of any person(s), or damage to any actual or personal property of any person(s) (including Owner) arising from or in any way related to the management, rental, or operation of the property by the agent, or the performance or exercise of any of the duties hereunder. The agent agrees to indemnify, defend, and hold harmless the Owner from any loss, cost, liability, or expense (including without limitation reasonable attorneys' fees) occasioned by the agent's breach of any provisions of this agreement or incurred in defense of any claim, action or proceeding maintained against Owner due to the negligence or willful misconduct on the part of the agent, its agents, and employees. The agent will make all attempts possible to communicate the possibility of any charges associated with this section before incurring the expense.
 - b. The owner shall secure and pay for liability and property damage insurance reasonably adequate to protect the interests of the Owner and the agent. The owner will procure and maintain such insurance during the term of this Agreement and provide the agent with evidence of such insurance.
 - c. The owner and agent's obligations shall be serviced until termination of this agreement.
11. **DISCLOSURE OF FINANCIAL INTEREST**
 - a. Lava Ridge Property Management uses an internal maintenance department to assist all parties in the basic maintenance of homes. The work performed by the LRPM maintenance department is billed separately from management services and fees. Lava Ridge Property Management does benefit financially from the work performed and billed by the maintenance department.
12. **ASSIGNMENT AND MODIFICATION:**
 - a. This Agreement may not be modified during the initial two-year term except in writing and signed by all parties. After the initial two-year term, changes with a 30-day' notice to the owner may be made.
 - b. The assignment of this contract is not intended or implied, yet it is acceptable. Lava Ridge Property Management LLC does not waive its right to negotiate the sale of the company, provided the culture and integrity of the purchasing organization are aligned with LRPM. Our clients are our #1 priority and will never be compromised for profit.

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13. **ATTORNEY FEES:** In a civil action to enforce or define this agreement, the prevailing party shall be awarded reasonable attorney fees set by the court, including attorney fees in case of appeal.
14. **COMPENSATION and FEES:** The owner agrees to compensate the agent for the services listed herein. All compensation and fees shall be deducted from monthly proceeds on the account.
- a. 9% of collected rent - Monthly ongoing management services.
 - b. 50% of collected pet rent - Pet management.
 - c. \$800.00 per occurrence - For the execution of a new rental agreement and turnover of each room/agreement or unit, i.e., move out and move in. –
 - i. \$500.00 per occurrence - If turnover is subject to one side, either the move-in or move-out, but not both
 - d. \$100.00 per occurrence - Execution of a new lease through renewal
 - e. Additional maintenance mgmt. services of 10% of vendor bills for work performed as outlined in section 5(h)i
 - f. Any additional requests from owners regarding the property not described in this management agency agreement shall be completed and charged to the owner at \$75.00 per hour. All charges shall be pre-approved by the owner before the execution of any additional work. Additional work is deemed as verifying vendor work, obtaining more than two vendor bids, inspections, or property visits for realtors, movers, vendors, or others to perform work outside the scope of essential property management.
15. **WRITTEN NOTICES:** Written notices are required, and other correspondence shall be mailed to the owner at the following address _____ and agent at 1661 NE 4th Street, Suite 200, Bend, OR 97701. Notices shall be deemed delivered when deposited in the US mail when such information has been adequately addressed and postage prepaid. Either party may change mailing addresses during this agreement with written notice to all parties. Additional forms of communication between parties are acceptable through telephone conversations and emails.
16. **TERMINATION OF SERVICE**
- a. At the expiration of the initial twenty-four-month contract, an owner or agent may give a written 30-day notice of termination. This notice of termination shall determine the day on which operations and oversight of the property shall end.
 - i. In the event of a noted lack of performance by the agent, this contract may be terminated before the expiration of the initial twenty-four-month contract with 30 days' notice, which will void the contract. Both parties shall be released of all terms and conditions at the end of the 30-day notice period.
 - b. The owner understands that although the operations and oversight of the property will end at the expiration of the 30-day notice, the account shall remain open for up to 60 additional days. The additional sixty (60) days after the final day of operational services time is reserved for;
 - i. Vendors and utility companies submit final bills.
 - ii. Vacating renter time to dispute any final account statements. The owner understands that after the final accounting is completed, they are still responsible for any invoices or rental disputes that may be presented.
 - iii. Transfer all remaining funds and deposits held. All monies shall be sent through direct deposits or electronic checks.
 - iv. Transfer copies of current rental agreements and property photos to the owner or newly designated agent.
 - c. This contract may be terminated by Lava Ridge Property Management with a 30-day written notice at any time if the owner or their representative:
 - i. Violates the terms of this agreement.
 - ii. Requests that Lava Ridge or any of their employees or vendors violate any federal, state, or local law
 - iii. Limits actions that do not allow LRPM to manage the property properly.
 - iv. Interferes with the day-to-day operation of Lava Ridge in managing the property.
 - v. Lava Ridge's termination of the contract with the owner voids the contract, and both parties are released of all terms and conditions at the end of the 30-day notice period. No further charges will be incurred.
 - d. Termination for any other reason shall be subject to an early termination fee charged to the owner of;
 - i. \$2,000.00 if termination is in the initial 12 months of this agreement.
 - ii. \$1,000.00 if termination is in the final 12 months of this agreement.
 - e. Upon the termination of this agreement, all remaining funds and deposit monies held shall be transferred electronically to the owner or owner representative.

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17. SALE OF PROPERTY DURING AGREEMENT TERM

- a. If an owner places the property on the market for sale during the term of this agreement, the agent shall be awarded an additional management services fee of \$ 350.00 to coordinate additional work and services during the sales process. If the owner removes the home from the market and/or does not sell, the agent is still due the additional services fee.

At the time this agreement is executed, the documented name of ownership listed on Deschutes County Records is;

This property is currently owned by a person or party not listed as the owner of this agreement. However, the property is in escrow and scheduled to close and transfer the title/deed on _____. After such a date and closing of escrow, the owner listed in this agreement shall own the property and be authorized to execute this agreement.

This owner of record, buyer, entity, party, or trust agrees to all terms listed in this agency agreement and, by signing below, acknowledges the execution of this legally binding contract and any attachment discussed in the above agreement.

Owner – Date

Owner – Date

Lava Ridge Property Management LLC Date

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OWNER CONTACT INFORMATION

OWNER #1

Best contact phone # _____ may we text this number? yes no
 Alternative contact # _____ may we text this number? yes no
 Email address _____

Preferred method of communication Email Phone Text

OWNER #2

Best contact phone # _____ may we text this number? yes no
 Alternative contact # _____ may we text this number? yes no
 Email address _____

Preferred method of communication Email Phone Text

Please provide Lava Ridge Property Management LLC with the following items:
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- Complete – owner direct deposit form – this will be emailed after the execution of this agreement
- Completed W9 – this will be emailed after the execution of this agreement
- Copy of current insurance policy – naming Lava Ridge Property Management LLC as an additional party for all notifications

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