



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 expiration of the initial 24-month contract, this agreement shall remain in effect on a monthly basis. Additional information regarding the termination of this agreement is in section 11.

3. **THE AGENT AGREES:**

- To manage the property and to use its best skills and efforts to supervise the operation and maintenance of the premises and to furnish the services described herein.
- To inform the owner of circumstances reasonably requiring the owner's attention is not the agent's responsibility.
- To deliver to the owner a monthly accounting statement of all receipts and disbursements associated with the property. Accounting statements will be completed no later than the tenth (10th) day of each calendar month for the prior month's activity unless prior arrangements have been made with owners.
- To remit to the Owner each month the net proceeds received from the property on or before the tenth (10th) of each month for the prior month's activity with a detailed monthly accounting statement. Electronic transfers can take between 3-5 days.
- 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.
- If the disbursements and charges shall be more than the receipts, the owner agrees to pay such excess sums within fifteen (15) days after notification from the agent. Nothing herein shall obligate the agent to advance its funds to cover the owner's expenses. 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.
- Actions guaranteed as part of the agreement are listed below. Excessive needs of the owners or tenants above and beyond the basic scope of duties listed below are subject to additional management fee charges as discussed in section *Compensation and Fees*.

MANAGEMENT SERVICE PACKAGE

- The leasing office is open daily, Monday – Friday, for daily customer service and on weekends by appointment.
- 24/7/365 emergency line for all renters and owners
- Professionally trained and educated team/ staff to oversee the daily operations.
- Compliance with and continuing education on fair housing and all local, state, and federal laws
- Amazing technology to help your investment rent quickly, stay maintained, and keep tenants happy to stay.
- Allowance of owners to customize some of the services to fit the needs of the property and their investments.
- To follow and comply with all state, federal, and local laws. Agent agrees to maintain and 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

- Prepare a written Leasing Plan for each turnover.
- Answer all leasing inquiries – calls, emails, social media, and any communication avenue presented.
- Showing coordination with personal tours and open houses when needed
- Online application with multipoint screening– *see screening guidelines*
- Pet screening and verification www.petscreening.com
- Collection of all required funds for move-in
- Numerous printed publications, online platforms, and social media sites with professional marketing consultation.
- Quality and professional marketing photos

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TURNOVER

- Facilitate turnover with a goal of minimal vacancy.
- Security deposit processing and distribution
- Move-in condition photos, inspection, and report
- Move out condition photos, inspection, and report
- 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
- Oversee all vendors in turnover, prepare home, and preschedule to minimize vacancy

INSPECTIONS

- New move-in inspection after six months of occupancy – performed by the team to ensure new renters comply with all aspects of the rental agreement.
- Monthly drive-by exterior inspections with pictures
 - Extreme storms provide additional visits, calls, and emails to property/renters as deemed necessary
- Annually - Full property inspection by administrative & maintenance staff –with the report, as needed, with any concerns, red flags, or issues that arise

RENTER INTERACTIONS

- Collect funds and prepare rental paperwork for new renter(s) as described in *Leasing Plan*
- Emailed monthly account statement
- 24/7/365 online access for payments, communication, contact updates, maintenance requests
- Collection of monthly rent and disbursements
- Tenant issues, complaints, and concerns
- Legal matters and evictions
- Lease renewals discussed with the owner to concur on offered terms and presentation to renter at approximately 120 days before the expiration of the current lease.
- Reporting of tenant rent payments to credit bureaus.

OWNERS INTERACTIONS

- To 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 for any visit to the property related to work performed on the property.
- Facilitate reoccurring maintenance and annual preventive maintenance
- Tenant issues, complaints, and concerns
- Legal matters and evictions
- Monthly statements and receipts emailed
- ACH direct deposit of rental proceeds
- 24/7/365 online access for reports, bill approval, and communication

4. 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.

- 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.

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5. **THE OWNER AGREES:** To give the agent the following authority indicated in this agreement and connected there within:
1. 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. Lava Ridge Property Management LLC pays for advertising expenses.
 - a. All lease inquiries 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 the agent's knowledge or participation, the agent shall be entitled to the full commission provided in this agreement in section 8.4.
 2. To negotiate and execute rental agreements, i.e., leases, renewals, and month-to-month agreements, in duration.
 3. To collect rental income and provide accounting statements to the owner as described in section *The Agent Agrees*.
 4. To set and adjust the rental schedule for the property under prevailing market conditions with the owner's concurrence.
 5. 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 during any period or situation requiring any listed actions.
 6. 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, certificates, 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.
 7. The owner authorizes the agent to contract for and arrange for 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. Any improvements, repair, alteration, maintenance work, or such outside the regular management scope 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 your 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. 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.
 8. The owner authorizes the agent to deduct and disburse all expenses from the owner's property account and tenant deposits as regular operating expenses. Repair limits for any item of non-reoccurring cost shall not exceed \$ 300.00 without the owners' prior approval. If the agent cannot communicate with the owner regarding a repair emergency or if such repairs are necessary to protect the property from damages or waste and maintain essential services to tenants in compliance with tenancy laws, an agent may exceed the non-reoccurring maintenance limit. Communication with owners will be through all avenues listed in the owner contact information section in this agreement and is maintained in the owner portal.
 9. The agent reserves the right to charge the owner for the agent's time if requested to obtain more than two vendor bids for work, repair, or replacement of any item on the property. Job estimates obtained by the agent for informational purposes only and do not transition into contracted work may be subject to additional hourly service charges described in the section *Compensation and Fees*.
 10. The owner agrees to always maintain an account reserve balance of \$ 100.00 in the owner's account balance.
 11. 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.
 12. 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 the culture of LRPM, all turnovers include all locks to be changed at the owner's expense.
 13. To not have any communication with tenants or vendors. Due to the severity of all fair housing, privacy, landlord, and contract laws, all communication to tenants and vendors must go through the Lava Ridge office.

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6. OWNER STATEMENTS and PROCEED DEPOSITS

1. 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 transferred by the last day of each month. Electronic funds can take up to 5 business days to show in an owner's account after processing.
 - a. Due to pending vendor invoicing, fluctuating move-in dates, and circumstances outside of our control, at times, partial to all funds from the owners' proceeds shall be held in reserve until the following month to cover anticipated expenses that the current month's proceeds cannot cover.
 - b. Statements shall be emailed to the owner within five days of month-end closing. Owners may access their accounts and generate statements anytime through their owner portal.
 - c. Funds shall be transferred to the owner's account as an electronic direct deposit—no paper checks.
2. Compensation, fees, and invoices associated with the property shall be deducted from any income collected.

7. LIABILITY AND INDEMNIFICATION: The Owner agrees:

1. 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.
2. The owner shall secure and pay for liability and property damage insurance reasonably adequate to protect the interest of the Owner and the agent. The owner will procure and maintain such insurance during the term of this Agreement. Upon the Agent's request, the owner will provide the agent with evidence of such insurance.
3. The owner and agent's obligations shall be serviced until termination of this agreement.

8. COMPENSATION and FEES: The owner agrees to compensate the agent for the services listed herein. All compensation and fees shall be deducted from monthly rents unless rent payments cover charges.

1. Monthly ongoing charges of 10% of collected rent during occupancy.
2. Monthly flat fee of \$50.00 per month when vacant and not actively marketed or in the turnover process.
3. Monthly ongoing charge of 50% of collected pet rent
4. The owner agrees to pay a fee of \$1200.00 for the execution of a new rental agreement and turnover of each room/agreement or unit, i.e., move out and move in. – If turnover is only subject to one side, either the move-in or move-out but not both, the turnover fee shall be \$700.00 per occurrence.
5. Owners agree to pay a lease renewal fee of \$ 125.00 when a tenant signs a lease renewal
6. Additional maintenance mgmt. services of 10% of vendor bills for work performed as outlined in section 5.7
7. 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.

9. ATTORNEY FEES: In case of civil action to enforce or define this agreement, the prevailing party shall be awarded reasonable attorney fees as set by the court, including attorney fees, in case of appeal.

10. 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.

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11. TERMINATION OF SERVICE

- 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.
- 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. This time is reserved to allow vendors and utility companies to submit final bills and a 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 renter disputes that may be presented.
- In the event of noted lack of performance by the agent, this contract may be terminated at any time with a 30-day notice, which will void the contract, and both parties shall be released of all terms and conditions at the end of the 30-day notice period. No further charges shall be incurred.
- 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:
 - a. Violates the terms of this agreement.
 - b. Requests that Lava Ridge or any of their employees or vendors violate any federal, state, or local law
 - c. Places limitations on actions that do not allow LRPM to manage the property properly
 - d. Interferes with the day-to-day operation of Lava Ridge to manage the propertySuch termination by Lava Ridge upon the owner shall void the contract, and both parties shall be released of all terms and conditions at the end of the 30-day notice period. No further charges shall be incurred.
- Termination for any other reason shall be subject to an early termination fee charged to the owner of;
 - \$2,000.00 if termination is in the initial 12 months of this agreement.
 - \$1,000.00 if termination is in the final 12 months of this agreement.

12. SALE OF PROPERTY DURING AGREEMENT TERM

- 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 \$ 500.00 to coordinate additional work and services during the sales process. If the owner removes the home from the market and the home does not sell, the agent is still due the additional services fee.

13. **ASSIGNMENT AND MODIFICATION:** This Agreement may not be modified during the annual term except in writing and signed by all parties. During renewal periods, terms may be changed with a 30-day' notice to the owner. The assignment of this contract is not intended or implied, yet 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.

Please provide Lava Ridge Property Management LLC with the following items:

- Voided checks for direct deposit
- 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

Helpful items, if available

- Blueprint, floorplan, and layout of home
- List any specific items, regulations, or directions that renters and Lava Ridge Property Management LLC need to be aware of
- Home Inspection from sale
- Property map with noted areas of
 - Electrical panel
 - Water main shut off
 - Irrigation valves/backflow

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The current name listed on Deschutes County Records _____ is _____ -

The owner of record and purchasing entity/party 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.

This property is currently owned by a person or party not listed as the owner of this agreement. The property is in escrow and is scheduled to close _____. After closing, the owner listed on this agreement shall own the property.

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

By signing below, all parties agree and understand all terms and conditions of this agreement. Signatures of this agreement officially execute our services together.

Owner –

Date

Owner –

Date

Lava Ridge Property Management LLC

Date

Initials _____