



# 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 owners' agent to rent, lease and manage the owner's property located at: \_\_\_\_\_ **Map and Taxlot:** \_\_\_\_\_  
Property is described as follows: \_\_\_\_\_

Lava Ridge Property Management LLC internal property reference: \_\_\_\_\_

**TERM:** This agency agreement shall commence on \_\_\_\_\_ period of twenty four (24) months, expiring on \_\_\_\_\_. This agreement will automatically renew for additional annual terms without notice from either party. Renewals / terminations and changes can be made on the anniversary month of each term. Termination of the agreement shall be deemed acceptable on the last day of every term by either party with a written thirty (30) day notice of termination. Termination before the annual expiration of this agreement shall be deemed acceptable in the event of noted lack of performance by the agent. In the event of property sale or cancellation of services for any other reason within annual term will be subject to a cancellation fee equal to three (3) full months' management fee.

**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 owner's attention which are not the agent's responsibility.
- To deliver to owner a monthly accounting statement of all receipts and disbursements associated with property. Accounting statements will be completed no later than the tenth (10<sup>th</sup>) day of each calendar month for the prior month activity, unless prior arrangements have been made with owners.
- To remit to Owner each month the net proceeds received from the property on or before the tenth (10<sup>th</sup>) 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 trust account in agent's name for the benefit of the owner. Any interest earned on the trust account will accrue and belong to the agent and 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 agent. Nothing contained herein shall obligate the agent to advance its own funds. If there are insufficient funds to cover all monthly expenses agent will notify owner immediately to discuss 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**

- Leasing office open 5 days a week, 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. At no time will the agent be required or expected to violate any law, discriminate against a renter, customer or person doing any form of business with Lava Ridge Property Management.

Initials \_\_\_\_\_



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## SHOWING AND LEASING on available units INCLUDED in package

- 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](http://www.petscreening.com)
- Collection of all required funds for move in
- Tenant placement warranty and guarantee of INITIAL LEASE TERM – If tenants vacate prior to warranty period – NO CHARGE for turnover will be assessed.

## ADVERTISING on available units INCLUDED in package

- Numerous printed publications, online platforms and social media sites with professional marketing consultation.
- Quality marketing photos
- FOR RENT sign in front yard – contingent on CCR regulations

## TURNOVER on units INCLUDED in package

- 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 – INCLUDED in package

- New move in inspection after 6 months of occupancy – performed by team to ensure new renters comply with all aspects of 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 report, as needed with any concerns, red flags or issues that arise

## TENANTS interaction all INCLUDED in package

- 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 update, maintenance requests
- Collection of monthly rent and disbursements
- Tenant issues, complaints, and concerns
- Legal matters and evictions
- Lease renewals discussed with owner to concur on offered terms and presentation to renter at approximately 120 days prior to expiration of current lease.
- Reporting of tenant rent payment to credit bureaus. Please see *Owner Statement and Proceed Deposits* section regarding fee for this service.

## OWNERS interaction all INCLUDED in package

- To oversee vendors hired to complete necessary repairs, maintenance or improvements approved by owner to prepare 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 emails
- ACH direct deposit of rental proceeds
- 24/7/365 online access for reports, bill approval and communication

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**4. PROCESSING, LATE, NSF AND OTHER FEES:** 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 management services. The agent shall be entitled to all processing, non-sufficient funds, late fees, and other fees charged to renters, which shall not be considered rental income herein. If a tenant shall be charged a lease buyout fee or cancellation fee, this fee shall be split equally with the owner in a 50/50 split upon collection.

**5. THE OWNER AGREES:** To give agent the following authority and agrees to assume expenses as 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 on the premises 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. Advertising expenses are paid for by Lava Ridge Property Management LLC.
  - a. 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 commission provided in this agreement.
2. To negotiate and execute rental agreements i.e. leases, renewals and month to month agreements, in duration.
3. To collect rental income from the property and to provide a proper accounting to owner as described in section *The Agent Agrees*.
4. To set and adjust the rental schedule for the property under prevailing market conditions with owner's concurrence.
5. To institute and prosecute actions when needed to remove tenants from the premises and recover possession thereof. To terminate tenancies, enforce rental/lease agreements, sign and deliver notices as deemed appropriate in the normal operation of the premises. 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 the agent's opinion is that such action is not viably economical. During any period or situation requiring any of the listed actions, agent agrees to keep in full communication with owner.
6. To allow agent the authority to hire, pay, supervise, and discharge such employees and vendors as 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. Agent is responsible for the acts and omissions of any hired employee but not hired vendors. All vendors shall have required licensing, certificate, insurance and/or bonds required.
7. Owner authorizes agent to contract for and arrange for decoration, repairs or alteration to the property as deemed appropriate by the agent to enhance and preserve the property condition prior to tenancy; for the routine, efficient operation of the property during tenancy; and to bring the property back to the condition of original move in by vacating tenant. Owner authorizes agent to deduct and disburse these expenses from owner's property account and/or tenant deposits as normal operating expenses of the property. Repair limits for any single item of non-reoccurring expense shall not exceed \$ 300.00 without the owners' prior approval. If agent is unable to communicate with owner regarding a repair emergency, or if such repairs are necessary to protect the property from damages or waste and to maintain essential services to tenants in compliance with tenancy laws agent may exceed the non-reoccurring maintenance limit. Communication with owners will be through all avenues listed on page three of management agency agreement.
8. Agent reserves the right to increase vendor bills to compensate for agent's time to check and verify any work completed. Agent reserves the right to charge owner for agent's time if requested to obtain more than two vendor bids for work on the property. Refer to section *Compensation and Fees* regarding additional management services.
9. Owner agrees to furnish and allow agent to maintain an account reserve balance of \$ 100.00 to facilitate normal and routine maintenance and operation of the property or any emergency repair as noted in this section above.
10. 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 for security deposit account procedures. Owner acknowledges that the tenants' security deposit must be disbursed within thirty-one (31) days from the termination of tenancy.

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## 6. OWNER STATEMENTS and PROCEED DEPOSITS

1. Accounting notifications and available owner proceeds, to include funds collected and disbursed by all parties within a calendar month and processed through Lava Ridge Property Management LLC shall be disbursed one time per 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 processed.
  - 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 cannot be covered by the current months proceeds.
  - b. Statements shall be sent to the owner through electronic communications of email within 5 days of month end closing. Owners may access their account and pull statements at any time through their owner portal.
  - c. Funds shall be transferred in the owners account as an electronic direct deposit. No paper checks.
2. Compensation, any fees and invoices associated to the property shall be deducted from any income collected on the property.

## 7. LIABILITY AND INDEMNIFICATION: The Owner agrees:

1. Except for claims, actions and judgments arising from Manager's negligence, breach of this agreement or willful misconduct, Owner will indemnify and hold harmless Manager (and Manager'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 real 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 Manager, or the performance or exercise of any of the duties hereunder. Manager agrees to indemnify, defend and hold harmless Owner from any loss, cost, liability or expense (including without limitation reasonable attorneys' fees) occasioned by Manager'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 Manager, its agents and employees. Agent will make all attempts possible to communicate the possibility of any charges associated in this section prior to incurring the expense.
2. Owner shall secure and pay for liability and property damage insurance reasonably adequate to protect the interest of Owner and Manager. Owner will procure and maintain such insurance during the term of this Agreement. Owner will provide Manager with evidence of such insurance upon Manager's request.
3. Owner and agent's obligations shall service until termination of this agreement.

## 8. COMPENSATION and FEES: The owner agrees to compensate agent for services listed herein. All compensation and fees shall be deducted from monthly rents unless rent payments will not cover charges.

1. One-time account set up fee of \$ 100.00
2. Monthly ongoing charge of 9% of collected rent
3. Monthly ongoing charge of 50% of collected pet rent
4. Owner agrees to pay a fee equal to \$ 800.00 for the execution of a new rental agreement and turnover of each room/agreement or unit i.e. move out and move in. –
5. Owners agree to pay a onetime lease renewal fee of \$ 100.00 when a tenant signs a lease after the expiration of their initial lease.
6. Any additional requests from owners regarding the property that are not described in this management agency agreement shall be completed and charged to the owner at a rate of \$75.00 per hour. All charges shall be pre-approved by the owner prior to 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 basic management of the property.

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

## 10. WRITTEN NOTICES: Written notices required, and other correspondences shall be mailed to owner at the following address: \_\_\_\_\_ and agent at 1661 NE 4<sup>th</sup> Street, Suite 200, Bend Or 97701. Notices shall be deemed delivered when deposited in the US mail when such notice has been properly addressed and postage prepaid. Either party may change mailing addresses at any time 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 any annual term, an owner or agent may give a written 30-day notice of termination. This notice of termination shall determine the day in which operations and oversight of the actual property shall end.
- 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/or a vacating renter time to dispute any final account statements.
- Owner understands that after the final accounting is completed, they are still responsible for any invoices or renter disputes that may be presented.
- Lava Ridge reserves the right to reserve funds up to one full month's rent during the termination of this agreement to ensure funds are in hand to pay all final invoices that are presented.
- Final payment to owners may take up to 60 days after the final termination date of this agreement.

**12. ASSIGNMENT AND MODIFICATION:** This agreement may not be assigned or modified except in writing and signed by all parties.

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

- Voided check for direct deposit
- Completed W9 – this will be emailed after execution of this agreement
- Copy of current insurance policy – naming Lava Ridge Property Management LLC as additional party for all notifications

Helpful items if available

- Blueprint, floorplan and/or layout of home
- List of any specific items, regulations, or directions that renters and/or 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

Current name listed on Deschutes County Records as of: \_\_\_\_\_ is \_\_\_\_\_ - \_\_\_\_\_

Owner of record agrees to all terms listed in this agency agreement and by signing below is acknowledging the execution of this legal binding contract and any attachment discussed in the above agreement.

Initials \_\_\_\_\_



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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

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 6/29/2021

Initials \_\_\_\_\_