



PROPERTY MANAGEMENT AGREEMENT

This **AGREEMENT** is effective and entered into between _____ hereinafter called **OWNER**, and Morris Hayden Properties, LLC, dba Morris Hayden Property Management, hereinafter called **AGENT**.

Whereas the Owner owns real estate described and known as:

hereby engages Agent to lease, manage, and operate the said property.

Whereas the Agent is a duly licensed real estate principal broker and is authorized to collect rents, lease and manage real property.

Whereas the parties have agreed with each other that the said Agent shall lease, manage and operate the said real estate, to collect the rents and do all the things necessary and pertinent to be done in connection with the operation of the said real estate.

1. TERM OF AGREEMENT:

- 1.1** The Owner appoints, retains and employs the Agent to act as the sole and exclusive manager and rental Agent of the above properties owned by the Owner, commencing on _____ until the property ownership changes. This agreement will remain in effect unless either Agent or Owner gives a written 30 day notice to terminate this agreement.
- 1.2** **TERMINATION: 30-Day Notice Required.** This Agreement may be terminated at any time by either party with a thirty (30) day written Notice of Termination. Owner agrees to pay Agent one half of one month's rent for each unit managed if Owner terminates within the first 90 days of this Agreement. Notice of termination may be delivered to Agent at Agent's address by delivering in person, by fax, by e-mail with confirmation or by regular First Class mail. Owner is required to provide written instruction upon termination regarding delivery of keys, security deposits, property information, tenant information and Owner's funds. Without written instructions to the contrary, all keys, security deposits, property information, tenant information and Owner's funds will be delivered to owner by mail to Owner's address.
- 1.3** **IMMEDIATE TERMINATION:** Agent may terminate this agreement immediately for the following reasons: Owner's breach of contract, Owner's refusal or inability to remedy habitability issues, or Owner's failure to follow Agent's interpretation of Landlord/Tenant law or any State or Federal Law

that in Agents' opinion affects Agents' ability to professionally perform its duties in this Agreement. In addition, the Agreement may be terminated immediately with mutual consent with written notice at any time. Owners' funds will be delivered upon termination per ORS 863-025-0070: All unobligated funds within sixty (60) days of termination and the balance after the obligated funds within ninety (90) days. Owner will receive a written Final Accounting Statement upon completion of this agreement. Owner may terminate this agreement immediately for the following reasons: Agent's gross negligence, willful misconduct or failure to follow Landlord/Tenant law.

- 1.4** Owner and Agent agree that before any legal action is taken against the other, or any complaints are filed with any agency, both parties will attempt mediation. The cost of mediation, if any, will be shared equally by both parties. The Mediated Agreement will be binding on both parties. If the parties are unable to come to an agreement in mediation, both parties are free to seek other means of resolution including legal action.

2. AGENT RESPONSIBILITIES:

- 2.1** Agent shall accept the management of the Premises for the period of agreement as stated above.
- 2.2** Agent shall comply in accordance with all federal, state, county and municipal laws, including civil rights and discrimination.
- 2.3** Agent shall rent or lease Premises to tenants, with Owner's goals and priorities in mind.
- 2.4** Agent shall collect rent, deposits, and any additional rental income and promptly deposit into a trust account in the Agent's name on behalf of the Owner.
- 2.5** Agent shall maintain Owner's accounts in a Client Trust Account. Owner or Owner's representative may examine Owner's records at any time during normal business hours at Agent's business office.
- 2.6** Agent shall maintain all Owners' funds separate from Agent's funds. Owner authorizes company to maintain Owner's funds in an Owner's Client Trust Account. All refundable security deposits shall remain in Agent's Tenant's Client Trust Account so that Agent may promptly mail refunds to former tenants as required by Oregon Law. Trust accounts are non-interest bearing. Trust accounts are held at Columbia Bank, Bend, Oregon.
- 2.7** Agent may transfer funds from Owner's individual properties; when more than one unit or property is managed for Owner; into one main Owner's ledger at least once per month. Owner acknowledges that the purpose for this action is to ensure clear tracking of income and expenses for all individual units or properties managed for Owner. Credit balance will be transferred to Owner's main ledger at least once per month. ORS 863-10-042 (b), 863-10-220 (3) (c).
- 2.8** Owner and Agent agree that Agent will keep all original records for six (6) years after termination of this contract, and then dispose of them unless otherwise instructed by Owner. ORS 696.280(3).
- 2.9** Agent shall remit/deposit and mail/e-mail the net proceeds to Owner with a monthly accounting of all receipts and disbursements no later than the 15th of each month.

3. OWNER AGREES:

- 3.1** Owner is the lawful Owner of Premises and has the legal right to enter into this agreement.
- 3.2** Owner is NOT subject to foreclosure proceedings of any kind at this time and such proceedings are not imminent or anticipated. Initial _____
- 3.3** Owner is NOT subject to bankruptcy proceedings at this time, and such proceedings are not imminent or anticipated. Initial _____
- 3.4** Owner has not missed any mortgage payments as of this date and does not anticipate any being missed. Initial _____
- 3.5** Owner shall pay Agent all fees and expenses incurred, including any fees to retain an attorney to defend Agent or Owner from any claim, suit, action, demands, or other proceedings by the tenants, unless it is due to the direct negligence or willful misconduct of the Agent.
- 3.6** Agent may require the use of employees, contractors and other affiliated companies for property management services that are not specifically covered under this agreement. Services may include, but are not limited to; maintenance, landscaping, cleaning, hauling, trash removal and painting. Agent has an ownership interest in Morris Hayden Maintenance and may receive fees and/or profits from it. Agent shall not, however receive fees or profits from unaffiliated companies or contractors in the performance of this agreement without prior disclosure to Owner. OAR 863-025-0020 (2) (i). OAR 863-025-0020(j).
- 3.7** Owner agrees that Agent may transfer monies needed from Owner’s other rental unit accounts if more than one unit is managed by Agent.
- 3.8** Owner shall defend, hold harmless and indemnify Agent against all claims, liability, and/or losses including all costs and expenses concerning the Owner’s default of this agreement.
- 3.9** Owner shall hold harmless the Agent from any damages to the premises or any personal property unless it is due to the direct negligence or willful misconduct of the Agent.
- 3.10** Owner shall maintain, at all times, a liability policy of insurance on the rental property. Owner shall furnish a copy of insurance terms, copy of policy and will also maintain fire and hazard insurance. Immediate written notice will be given when policy is changed.

Insurance Agent _____

Address _____

Telephone _____ Policy Number _____

4. OWNER AUTHORIZATION:

- 4.1** Owner authorizes Agent to enter into rental agreements, leases, and renewed agreements.
- 4.2** Owner authorizes Agent to advertise through the internet and other free media.
- 4.3** Owner agrees to allow appropriate signage to be placed at premises for advertisement.
- 4.4** Owner authorizes Agent to collect rental income and fees.
- 4.5** Owner authorizes Agent and agrees to assume all expenses to terminate tenancies, and to sign and serve notices deemed needful by Agent to institute actions to remove tenant from Premises to recover possession of Premises.
- 4.6** Owner authorizes Agent and agrees to assume all expenses to take appropriate actions to recover rents.
- 4.7** Owner authorizes Agent to set and adjust the rents according to the market conditions with approval of Owner.
- 4.8** Owner authorizes Agent and agrees to assume all expenses to maintain the property in good condition by making all necessary repairs by hiring, paying, and discharging maintenance personnel for the purpose of landscaping, repairs, clean up, painting, or any alterations deemed necessary by Agent with Owner approval.
- 4.9** Owner agrees that all necessary repairs will be completed before Morris Hayden Property Management places a tenant in each unit.
- 4.10** Owner understands and agrees that emergency repairs to protect the safety of the tenant or the value of the property are required by Oregon law.
- 4.11** Owner understands and agrees that entrance to the property or dwelling may not be made at any time, for any reason, without a written 24-Hour Notice delivered to the resident.
- 4.12** Owner authorizes Agent to have door locks rekeyed at Owner expense at the beginning of each new tenant occupancy. Locks will be rekeyed to one key for all locks when possible. (Maximum 1 time per year). Owner authorizes Agent to repair/replace smoke alarms and/or carbon monoxide detectors as required by law.
- 4.13** Owner authorizes Agent to refund tenant's security deposit in a timely manner, within 31 days, as required by law or the Agent must notify the tenant in writing within 30 days of reason(s) for withholding any portion of refundable amount of security deposit.
- 4.14** Agent is granted the exclusive authority to inspect and accept the premises from the tenant at the end of the tenancy. In the event that the tenancy terminates before the date to which rent has been paid by the tenant, and that rent has been paid to Owner under the terms of this agreement, owner agrees to return to Agent the amount Agent deems the tenant should be reimbursed. Agent's interpretation of the rental agreement, the Oregon Residential Landlord Tenant Act and the extent of reimbursement

for which the Owner should be responsible, shall be the decision of the Agent. If Owner disagrees with Agent's interpretation, Owner agrees to assume all risks which may arise out of substituting Owner's own interpretation for that of the Agent. Owner agrees to hold Agent harmless from all of the consequences of utilizing the Owner's interpretation, including, but not limited to, damages, compensation for time spent in litigation, arbitration, or mediation and attorney fees and other expenses incurred in defending Agent.

- 4.15** Agent and Owner both agree that it cannot be expected that the property will be returned at the end of the rental term in exactly the same condition as when it was initially placed on the rental market. There will undoubtedly be wear and tear caused by normal use of the property by tenants. Owner can only expect to be reimbursed by tenants for damage which is above and beyond normal wear and tear.

5. COMPENSATION:

- 5.1** It is Agreed Owner shall pay a one-time set-up fee of \$150.00.
- 5.2** It is agreed Owner shall pay Agent the sum of 8% of the gross collected rents or a minimum of **\$70.00** per unit when Premises is occupied or 10% if property has acreage. Agent is entitled to 100% of all application fees, credit check fees, NSF fees, late charges, and any similar fees.
- 5.3** Owner agrees that Agent may charge tenants application fees, late fees, "locked-out" service call fees, non-compliance fees and a service charge for all returned checks. These fees shall entirely belong to Agent and compensate Agent for service fees and accounting expenses.
- 5.4** Owner shall deposit the sum of \$200.00 as a reserve fund. If at any time funds are insufficient to pay expenses, Owner will be notified and Owner shall remit funds within five days or as soon as is necessary.
- 5.5** If a lease buy-out fee is paid by the tenant, Agent shall be entitled to the sum of 10% of the lease buy-out fee. Capital improvements performed by Agent with permission from owner will be subject to a 10% of invoice fee.
- 5.6** Rents are collected from the 1st through the 6th of each month. Owner's Distribution checks and statements are processed no later than the 15th of that month and mailed or deposited.

Please choose one below:

_____ 1) Direct Deposit funds in excess of reserve to: Oregon Account_____ out of State Account_____ (\$1.50 fee per month) Please complete the enclosed ACH form for direct deposit

_____ 2) Send all funds in excess of reserve to Owner at Owner's address listed below.

Street Address: _____

City/State/Zip: _____

_____ 3) Hold all funds in Owner's Client Trust Account until notified otherwise.

Agent does not assume any damages for late payments on loans or mortgages due to late tenant payments.

ATTORNEY FEES

In the event of civil action to enforce or define this agreement, the prevailing party shall be awarded reasonable attorney fees specified by the court, including fees accumulated for searching records, cost of reports, fees in the event of an appeal and any other similar fees.

WRITTEN NOTICE

Any notice shall be deemed given when mailed by first class by U.S. Mail to Owner at:

and the Agent at **337 NE Emerson Avenue, Bend, OR 97701.**

ASSIGNMENT: This agreement shall not be assigned or modified except in writing and signed by all parties. This Agreement shall be binding upon the successors and assignors of Agent and upon the heirs, executors, administrators, successors, and assignors of Owner.

Dated: _____

Owner Signature

Dated: _____

Owner Signature

Dated: _____

Agent

INFORMATION SHEET

OWNER INFORMATION:

Name: _____
Address: _____
City, State, Zip: _____
Home Phone: _____ Work Phone: _____
Cell Phone: _____ Cell Phone: _____
E-mail Address: _____

Emergency Contact Information:

Name: _____ Phone: _____
Water shut off location: _____
Circuit Breaker Location: _____

Special Instructions

Owner authorizes Agent to schedule a fall blow-out of the sprinklers if system is in place, and a spring turn-on for sprinklers at Owner's expense. ____yes ____no

Owner authorizes Agent to do a yearly clean up of property not to exceed \$

- 1) Heat: Electric ____ Gas ____ Propane ____ Oil ____ Other ____
Furnace Last Serviced: _____ Company Name: _____
- 2) Fireplace: Woodburning ____ Woodstove ____ Gas: ____
Last Serviced: _____ Company Name: _____
- 3) Hot Tub: Winterized ____ Operational: ____
Last Serviced: _____ Company Name: _____

The following information will be helpful to manage your property. Please take a moment to answer the questions, adding any additional comments you may have.

All requests for maintenance and repairs from the tenants shall be directed to the Agent.

- ____ 1. Owner does NOT require prior authorization for repairs or maintenance.
- ____ 2. Owner must be contacted in advance for authorization for all maintenance and repairs, except emergency repairs.
- ____ 3. Owner must be contacted for authorization for any maintenance or repair over \$ _____, except emergency repairs.

Security Deposits: Agent’s policy is to collect a Base Security Deposit equal to one month’s rent plus \$200.00. Damaged credit, short term or new employment or insufficient landlord references usually result in increased Security Deposits. Agent has the authority to allow up to three (3) payments on all types of deposits. Agent will account for and be responsible for all deposits held by Agent.

Pet Deposits: Agent’s policy is to collect pet deposits based on the following:

- Small to Medium dogs – 0 to 40 lbs - \$250.00
- Large dog over 40 lbs - \$350.00
- Cat - \$250.00
- Puppy or Kitten (under 1 year) \$400.00

_____ Pets are NOT Allowed

_____ Pets are allowed _____ Pets are allowed but limited to: _____ # Dog _____ # Cat

_____ Pets are negotiable with Owner approval

INTERIOR ITEMS AND UTILITY INFORMATION:

Please check next to the appliances that will be staying and provided to the tenant:

- Range/Oven Refrigerator Dishwasher
- Microwave Washer Dryer
- Compactor Garage Door Opener Garbage Disposal
- A/C Unit Water Heater (Gas _____ or Electric _____).
- Security System—Code: _____ Sewage Pump Well Septic

Agent will provide tenant with the following:

Do Not Duplicate Keys 2 Garage Door Openers 2 Shed keys 2 (if applicable)
 (Agent will retain 1 house, 1 shed and 1 PO box key on file)

PO Box Keys 2 (If you do not have PO box keys, we will have it re-keyed with the USPS and there will be a one-time charge of \$40.00)

Please advise what Utilities Owner will Pay and which are Tenant’s Responsibility

<u>UTILITIES</u>	T=Tenant Pays	O=Owner Pays
_____ - Electric	_____ - Water	_____ - Sewer
_____ - Cable	_____ - Garbage	_____ - Gas
_____ - Recycle Bin	_____ - Propane	

POWER COMPANY NAME: _____

WATER COMPANY NAME: _____

SEWER COMPANY NAME: _____

GAS COMPANY NAME: _____

TRASH COMPANY NAME: _____ P/U DAY: _____

IRRIGATION COMPANY NAME: _____

PROPANE COMPANY NAME: _____

YARD CARE:

A. Owner maintains lawn/landscaping Tenant maintains landscaping

HOA Maintains yard (Front and/or Back)

B. _____ Tenant _____ Owner -- shall pay for water use to water all areas including lawn, trees, and any surrounding landscape. (Typically Tenant pays for all watering, unless the property in question is a duplex, tri-plea, condo or townhome)

C. Automatic Sprinkler System Front _____ Back _____

Manual Sprinkler System Front _____ Back _____

Irrigated Acreage Acres _____ Pump _____

Service Provided for Irrigation: _____

Lead Based Paint Disclosure:

_____ 1. Owner has NO information regarding lead-based paint at property.

_____ 2. Owner has provided copies of all information, including any testing, reports, or records regarding lead-based paint at property.

Owner agrees to immediately notify Agent in writing if at any time Owner becomes aware of any information regarding lead-based paint at property.

Manufacture of Illegal Drugs Disclosures:

____ 1. Owner has no information regarding manufacture of illegal drgus or arrests of persons for illegal drug activity at property.

____ 2. Owner has provided copies of all information, including any testing, reports, or records regarding manufacturing of illegal drugs at property.

Owner agrees to immediately notify Agent in writing if at any time Owner becomes aware of any information regarding manufacture of illegal drugs at property.

Read and Reviewed:

Date _____



Direct Deposit for Owners/Vendors

***Please Fax or Mail this form to your Property Management Company to be set up**

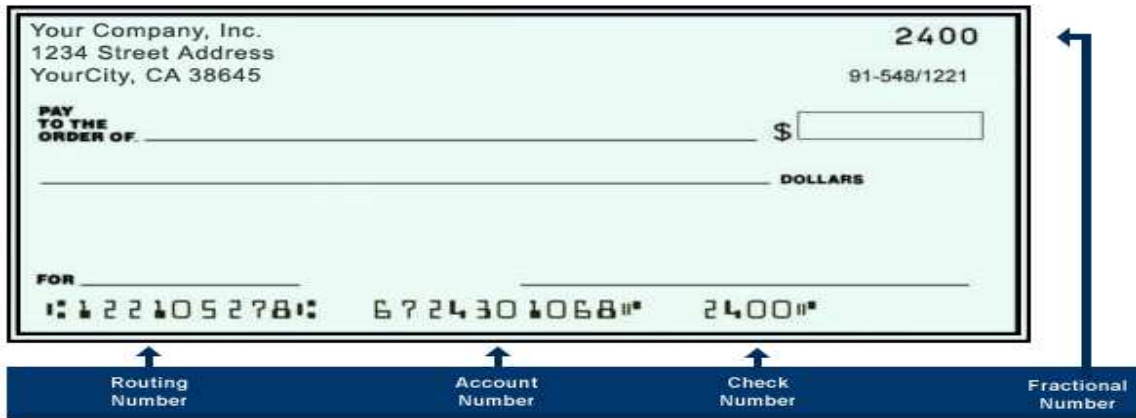
***Name of Management Company:** Morris Hayden Property Management

Check One of the Following: **New Enrollment** **Add or Change Checking Account**

Company/Individual Name **Telephone #** **E-mail Address**

Address **City** **State** **Zip**

Bank Name **Routing Number (9 digits)** **Checking Account #**



***Please attach a voided check to top of check sample above. Please do not include Deposit slips**

I hereby authorize PayLease to deposit any amounts owed to me, as instructed by the Management Company listed above, by initiating credit entries to my account at the financial institution indicated on this form. In the event that PayLease deposits funds erroneously into my account, I authorize PayLease to debit my account for an amount not to exceed the original amount of the erroneous credit.

Owner/Vendor:

Print Name

Signature

Date

***Please Fax or Mail this form to your Property Management Company to be set up**

Request for Taxpayer Identification Number and Certification

**Give form to the
 requester. Do not
 send to the IRS.**

Print or type See Specific Instructions on page 2.	Name (as shown on your income tax return)	
	Business name, if different from above	
	Check appropriate box: <input type="checkbox"/> Individual/Sole proprietor <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Limited liability company. Enter the tax classification (D=disregarded entity, C=corporation, P=partnership) ▶ <input type="checkbox"/> Exempt payee <input type="checkbox"/> Other (see instructions) ▶	
	Address (number, street, and apt. or suite no.)	Requester's name and address (optional)
	City, state, and ZIP code	
	List account number(s) here (optional)	

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Social security number
or
Employer identification number

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. citizen or other U.S. person (defined below).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. See the instructions on page 4.

Sign Here	Signature of U.S. person ▶	Date ▶
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General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,