

Kansas City
KCMS
Management Solutions

MANAGEMENT AGREEMENT

In consideration of the covenants herein contained:

_____, hereinafter called the 'OWNER' and Kansas City Management Solutions, hereinafter called the "AGENT", agrees as follows:

1. The OWNER hereby appoints the AGENT exclusively to rent, lease, operate and manage the property known as _____, K.C. , MO _____ AGENT agrees to the use of Tenant Placement companies for the purpose of facilitating leasing of property(s) listed above and **OWNER will pay a one month leasing fee after move-in or the passing of section 8 inspection(s) for section 8 tenants.**
2. Beginning on _____ and ending on _____ with an automatic renewal commencing at the expiration of this agreement with the AGENT sending a certified notice at least 30 days prior to renewal.
3. This agreement may be terminated by either party or parties with 90 days written notice to the other party or parties. It may NOT be transferred or assigned to another agent or entity without prior written consent of the OWNER.
4. The AGENT accepts the appointment and agrees:
 - a. To use commercially reasonable diligence in the management of the premises for the period described above, in compliance with the terms herein contained.
 - b. To render monthly statements of receipts, expenses and charges, to the OWNER at the following address: _____
Phone Number and Email Address: _____
 - c. To remit receipts (excluding late fees, NSF fees and application fees collected from the tenant) in excess of the security deposit, OWNER hereby agrees to remit to AGENT any shortage prior to the payment of bills if there is not already rental income from the property or portfolio. All funds collected for OWNER, including tenant deposits, shall be promptly deposited in AGENT'S trust account with a federally insured banking institution located in Missouri. Any interest earned by this account shall be used by AGENT to offset banking and accounting costs. AGENT is not responsible for loss of funds due to failure or bankruptcy of said bank.
5. The OWNER hereby gives the AGENT the following authority and powers and agrees to assume the expense of:
 - a. Advertising the property for rent in a reasonable manner. This shall include but not be limited to the placement of signs and purchase of advertising in local publications, AGENT'S web-site and Kansas City Association of Realtors Multiple Listing Service.
 - b. To negotiate and process renewals and cancellations of leases for the premises or any part thereof with the OWNER'S approval; to collect rents due or that become due and give receipts thereof; to take legal action on behalf of the OWNER to enforce the terms and conditions of said leases with the OWNER'S approval.
 - c. To make or cause to be made repairs and alterations, to purchase supplies, re-key all locks on unfurnished homes when tenants change, and pay bills for the property submitted to AGENT. The AGENT agrees to secure prior approval of the OWNER on all expenditures in excess of \$300.00 for any one item, except monthly or recurring operating expenses and/or emergency repairs in excess of the maximum if, in the opinion of the AGENT, such repairs are necessary to protect the property from damage or to maintain service to the tenants as called for in their lease.
 - d. To contract, in the name of OWNER, all labor required for the operation and maintenance of the premises. There will be a \$10. service call fee on all in house maintenance to be paid to AGENT. All work bid and performed is on a per job basis. Such contractors are ultimately retained by the OWNER and not by the AGENT. The AGENT shall not be responsible for the acts, defaults or negligence of any contractor.

6. It is mutually agreed that:
- a. The OWNER will carry at their own expense, a standard rental insurance policy that includes public liability coverage to protect the interest of the parties hereto, which policy shall be so written as to protect the OWNER, and will name the AGENT as co-insured. The OWNER will furnish a certificate of insurance within fifteen (15) days from the date of this agreement. AGENT shall not be liable for any error of judgment or for any mistakes of fact of law, or for anything which may do or refrain from doing hereinafter except in cases of willful misconduct or gross negligence.
 - b. The AGENT does not assume and is given no responsibility for compliance of any building on the premises or any equipment herein with the requirements of any statute, ordinance, law or regulation of any governmental body of any public authority or official thereof having jurisdiction, except to notify the OWNER promptly of any complaints, warning notices or summons received by it relating to such matters. OWNER represents that to the best of their knowledge the premises and such equipment comply with all such requirements and authorize AGENT to disclose ownership of the premises to any such officials.
 - c. On termination of the property management agreement the AGENT shall provide the owner with a final accounting of the property's financial status that includes at a minimum:
 - 1. Within ten business days, a list of all tenant security obligations.
 - 2. Within thirty-five days, reimbursement for all monies remaining in the property accounts maintained by the property management firm, except for monies needed for unpaid obligations incurred during the term of the property management agreement.
 - 3. Within seventy five days, a final accounts receivable and payable list.
 - 4. Within seventy five days, a final account journal reconciliation.
7. OWNER further agrees:
- a. Agent shall receive a fee of 10% of the collected monthly rent. This fee is considered earned upon the signing of any rental agreement or lease and AGENT shall deduct this fee from the first lease payment prior to remitting to OWNER.
 - b. Should this agreement be terminated by OWNER prior to its expiration, all leasing fees for the balance of any existing lease shall be due and payable to AGENT. Security Deposits held by AGENT on behalf of OWNER shall be given to OWNER in the form of a check made payable to both the OWNER and the applicable tenant.
 - c. AGENT shall be considered a Transaction Broker of the OWNER and the applicable tenant in the event a sale to the tenant shall take place. The AGENT shall be entitled to a commission of 3% of the gross sales price, payable at the losing of the transaction.
 - d. AGENT shall receive an initial start up fee of \$75.00 per property. AGENT shall be entitled to keep all application fees, lease cancellation fees, returned check fees and late fees.
 - e. From time to time, AGENT may charge the OWNER'S account for extra service requested by the OWNER for the agreed upon fees.

This agreement shall be binding on the successors, heirs, administrators or executors of the OWNER.

Date _____ OWNER _____

Date _____ OWNER _____

Date _____ AGENT _____

Broker: _____