

Property Management Agreement

Great Lakes Property Management Co. LLC

In Consideration of the mutual covenants and promises herein contained and other valuable consideration herein set out, _____ herein called "Owner" and Great Lakes Property Management Co. LLC herein called "Property Manager", or "GLPM" agree as follows:

1. Exclusive Right to Manage. Owner hereby employs and appoints Great Lakes Property Management Co. LLC as Owner's exclusive Property Manager to rent, lease, operate and manage the Owner's properties, situated in **Oakland, Macomb and Wayne** County, Michigan, including, but not limited to:

Property Address(s): _____

2. Time Period of Agreement: This Agreement shall commence on ____ / ____ / 2024 and shall terminate on ____ / ____ / 2024. After ____ / ____ / 2025 this agreement will be continued on a monthly basis until either party provides a 30 day notice in writing, that the agreement is terminated at any time.

3. Duties and Authority of Property Manager. Property Manager agrees to make all reasonable efforts to rent, lease, operate, and manage the described property, having the following duties and authority:

- a) To negotiate rents, and execute leases and renewals with full, binding authority of Owner, for terms not less than six (6) months, nor in excess of one (1) year, unless authorized in writing by Owner;
- b) To advertise the availability of the property for rent by advertising, display signs and Property Manager has Owner's express authority to sign on behalf of Owner and in Owner's name, such documents as are required for this purpose
- c) To screen and verify credit worthiness of prospective tenants; and to place tenants in owners properties.
- d) SECURITY DEPOSITS TO BE HELD BY OWNER, application fees paid to GREAT LAKES PROPERTY MANAGEMENT CO LLC, rents and other funds on behalf of Owner. The owner will be sent a check or a bank transfer by the 5th business day the rent is received (unless that day falls on a weekend or US holiday) for the balance of their account minus a \$0 repair retainer which will be refunded to the owner when this contract expires. If the owner has 6 properties or more the amount held is \$0 per property.
- e) To terminate tenant possession upon the approval of Owner, including the institution of legal actions for eviction and collection of rent and other sums due Owner and to prosecute, compromise or settle on Owner's behalf such legal actions as arise from management of the property;
- f) To arrange for necessary and reasonable repairs, and maintenance, which in GREAT LAKES PROPERTY MANAGEMENT CO LLC discretion, are required to bring the property to a marketable condition provided, however, that property manager shall not create an obligation on Owner's behalf in excess of a total of \$200.00, without the Owner's expressed permission.
- g) To contract with, on behalf of Owner, such artisans, workmen, accounts, attorneys, and other persons, firms or corporations whose services are at Property Managers discretion reasonably required to protect Owner's interest and property. Contract amounts in excess of a total of \$300 will require Owner's approval, unless it is an emergency situation (i.e., no heat or leaking pipe causing damage). In the case of an emergency the amount will not exceed \$500.00 without the Owner's approval.
- h) Owner is to provide, at owners expense, electricity, gas fuel, water and winterize if needed when property is vacant.
- i) To render a monthly statement to Owner, in Property Managers standard format, of all receipts, revenue, expenses, disbursements and charges in connection with the management of the property.

4. Responsibilities of Owner. Owner promises to promptly pay, as the same become due, all mortgage payments, taxes and insurance on the property including any sums that are required to be paid into escrow. OWNER TO NOTIFY GREAT LAKES PROPERTY MANAGEMENT CO. LLC IF PROPERTY GOES INTO FORECLOSURE IMMEDIATELY

- a) Upon request, Owner will provide Property Manager, tenant and/or prospective tenant with proof of payment and advise them of the current status of any and all liens on property.

- b) OWNER TO PROVIDE GLPM WITH A CERTIFICATE OF INSURANCE SHOWING A MINIMUM OF \$1,000,000 LIABILITY COVERAGE WITHIN 14 DAYS OF EXECUTION OF THIS CONTRACT. If the Owner shall fail to do so, Great Lakes Property Management Co. LLC may, at its option, terminate this agreement and recover all costs incurred.
- c) GREAT LAKES PROPERTY MANAGEMENT CO LLC has informed Owner of his duty to disclose lead based paint. Owner agrees that the attached Lead Based Paint Addendum shall be presented to all prospective tenants and buyers.

5. Fees and Commission. It is understood by the parties hereto that real estate fees and commissions are negotiable, and it is agreed that, as a result of their negotiations, Owner shall pay Great Lakes Property Management Co. LLC for the following:

- a) 10% of the collected monthly gross rent and **50%** of late fee charges to Great Lakes Property Management Co. LLC.
- b) Owner agrees to pay a commission equal to **1 months' rent** every time a property is advertised, shown and leased.
- c) Owner agrees to pay a one-time onboarding fee of **\$295.00** for any property(ies) being transferred from another management company with tenants in place. The fee will not apply to vacant properties being transferred.
- d) Owner agrees to pay a yearly **\$50.00** management renewal fee, charged at the agreement renewal date.
- e) If a tenant placed by GLPM vacates the property prior to the end of the agreed lease term, GLPM will place a new tenant at no cost to Owner.
- f) Owner responsible for any and all repair expenses (time & material), including cleaning and painting if approved when a tenant moves out payable to Contractor of Owners Choice.
- g) Owner responsible for all other related expenses to the property (i.e., utilities, City Rental Registration, etc.)
- h) Owner agrees the Property Manager will hold a \$0 repair retainer fee which will be refunded to the owner when this contract expires. Note, the owners account statement will show this amount as your minimum balance. Should your balance fall below the \$0, Great lakes property management Co LLC will have the option to request payment or take it from the next rent collected.

6. AGENCY OF COOPERATING BROKERS: Owner acknowledges that Property Manager has informed Owner of the potential agency positions which cooperation brokers may assume in regard to the lease or sale of properties. Owner also acknowledges that it is Broker's policy to offer a portion of the commission to cooperating brokers in order to stimulate their interest in leasing or selling the property. The agency positions and the portion of the commission the Broker shares with cooperating brokers are to be decided and compensated by Tony Dragich Berkshire Hathaway Kee Realty.

7. Owner's Nonpayment. In the event that Owner is delinquent in the payment of the fees described in Paragraph 5 above, property manager may at his option, terminate this Agreement. The termination shall be in addition to, and in the place of, any other legal remedies that may be available to Great Lakes Property Management Co. LLC.

8. Release, Indemnity and Hold Harmless. The parties agree and acknowledge that property manager shall act on behalf of Owner, and that property manager may disclose Owner as his principal on whose behalf, and in whose absence, he will exercise judgment and conduct business affairs. Accordingly, Owner agrees, except in cases of willful misconduct or gross negligence on the part of as follows:

- a) To indemnify and hold Great Lakes Property Management Co. LLC harmless from all claims, charges and liabilities, including reasonable attorney's fees arising in connection with management of the herein described property, and Owner hereby ratifies and confirms all legal acts by Great Lakes Property Management Co. LLC in performance of and compliance with this Agreement;
- b) Great Lakes Property Management Co. LLC shall not be held liable for damages done to the subject property by tenants or their nonpayment of security deposits, rents, or other sums, provided that the tenants were accepted in accordance with Great Lakes Property Management Co. LLC usual screening procedures.
- c) Great Lakes Property Management Co. LLC shall not be held liable for damage or loss arising from the advertising or showing of the property for rent or sale, for the use of a Multiple Listing Service, a lock box or key.

9. Non-Discrimination. Discrimination because of religion, race, color, national origin, age, sex, disability, familial status, or marital status by Great Lakes Property Management Co. LLC and Owner is prohibited by law. Discrimination by Owner shall automatically terminate this Property Management Agreement and property manager shall recover all costs incurred under this Agreement, including court costs and attorney's fees.

10. Miscellaneous. The parties further agree as follows:

- a) This Agreement shall be construed in accordance with the laws of the State of Michigan, and the venue for any litigation arising here from, shall be in the county where the property is located.

- b) In the event Great Lakes Property Management Co. LLC manages more than one property for Owner under this Agreement, the provisions hereof shall apply to each property as fully as if a separate Management Agreement had been executed as to each;
- c) The monetary accounts herein described are not to be construed as custodial, trust or escrow accounts as defined by law;
- d) Failure of a banking institution selected by Owner for deposit of funds shall not subject property manager to liability for loss;
- e) The cost of all attorney or other professional long distance phone calls, mailings and faxes incurred by Great Lakes Property Management Co LLC in connection with performance of duties hereunder will be charged back to the Owner at the same rate of billing paid by Great Lakes Property Management Co. LLC;
- f) In the event that Owner or Great Lakes Property Management Co. LLC institutes legal action to enforce this Agreement, the prevailing party, as defined by the Court's decree shall be entitled to the recovery of all costs including court and litigation and reasonable attorney's fees;
- g) This Agreement shall be binding upon and inure to benefit of the parties hereto, and their heirs, assigns, executors, administrations, and successors in interest, except that this Agreement cannot be assigned by either party without the other's written consent;
- h) This Agreement constitutes the full and complete agreement of the parties;
- i) Should any provision of this Agreement be found invalid by a court of law, all other provisions hereof shall nonetheless have full binding effect.

EXECUTED IN MULTIPLE ORIGINALS this Day of 2024.

This is a legally binding contract if not understood, seek competent advice.

Owner's Signatures:

_____ Date _____

_____ Date _____

Owners Address: _____

Phone Number: _____ Drivers License: _____

Email Address: _____

Tony Dragich Broker Owner, Property Manager, Great Lakes Property Management Co LLC. (GLPM)

Associate Broker Berkshire Hathaway Kee Realty

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Signature *Tony Dragich.* Broker Owner