

Management Agreement

OWNER:

AGENT: *King Properties, Inc*

LOCATION:

START DATE:

END DATE:

In consideration of the covenants herein _____, (hereinafter called "OWNER") contained, and King Properties, Inc., (hereinafter called "AGENT"), agrees as follows:

1. The OWNER hereby employs the AGENT exclusively to rent and manage the property (hereinafter called the "PREMISES) known as:

(a)

Upon the terms hereinafter set forth, for the period beginning on the:

(b)

And ending on the:

(b)

and thereafter for yearly periods from time to time, unless on or before *thirty* days prior to the date last mentioned or on or before *thirty* days prior to the expiration of any such renewal period, either party hereto shall notify the other in writing that it elects to terminate this Agreement, in which case this Agreement shall be thereby terminated on said last mentioned date.

2. THE AGENT AGREES,

(a) To accept the management of the premises, to the extent, for the period of, and upon the terms herein provided and agrees to furnish the services of its organization for the rental operation and management of the Premises.

(b) To render a monthly statement of receipts, disbursements and charges to the following person at the address shown:

NAME: .

ADDRESS:

CITY:

and to remit each month the net proceeds (provided Agent isn't required to make any mortgage, escrow or tax payment on the first day the following month). Agent will remit the net proceeds or the balance thereof after making allowance for such payments to the following persons, at the address shown:

NAME: *City of Davis*

NAME: *The Davis Enterprise*

In the case of the disbursements and charges shall be in excess of the receipts, the OWNER agrees to pay such excess promptly, but nothing herein contained shall obligate the AGENT to advance its own funds on behalf of the OWNER.

(c) To cause all employees of the AGENT who handle or are responsible for the safekeeping of any monies of the OWNER to be covered by a fidelity bond in an amount and with a company determined by the AGENT at no cost to the OWNER.

3. THE OWNER AGREES, To give the AGENT the following authority and powers (all or any of which may be exercised in the name of the OWNER) and agrees to assume all expenses in connection therewith:

(a) To advertise the premises or any part thereof, to display signs thereon and to rent the same; to cause references of prospective tenants to be investigated; to sign leases for terms not in excess of one year and to renew and or cancel the existing leases and prepare and execute the new lease without additional charge to the OWNER; provided, however, that the AGENT may collect from tenants all or any of the following: a late rent administrative charge, a non negotiable check charge, credit report fee, a subleasing administrative charge and/or broker's commission and need not account for such charges and/or commission to the OWNER; to terminate tenancies and to sign and serve such notices as are deemed needful by the AGENT; to institute and prosecute actions to oust tenants and to recover possession of the premises; to sue for and recover rent: and when expedient, to settle, compromise and release such actions or suits, or reinstate such tenancies.

(b) To hire, discharge and pay all engineers, janitors and other employees; to make or cause to be made all ordinary repairs and replacements necessary to preserve the Premises in present condition and for the operating efficiency thereof and all alterations required to comply with lease requirements, and to do decorating on the Premises; to negotiate contracts for non-recurring items not exceeding \$350.00 and to enter into agreements for all necessary repairs, maintenance, minor alterations and utility services; and to purchase supplies and pay all bills.

(bb) OWNER is aware that AGENT is a principal in Maintenance Plus, Inc. which is a for-profit business that supplies maintenance and repairs to the properties managed by AGENT. OWNER may choose to use other companies for maintenance and repairs but will notify AGENT of their choice in writing prior to the commencement of this agreement.

- (c) To collect rents and/or assessments and other items due or to become due and give receipts therefore and to deposit all funds collected hereunder in the AGENT'S custodial account.
- (d) To refund tenant's security deposits at the expiration of the leases and, only if required to do so by law, to pay interest upon such security deposits.
- (e) To execute and fill all returns and other instruments and do and perform all acts required of the OWNER as an employer with respect to the Premises under the Federal Insurance Contributions Acts, the Federal Unemployment Tax Act and Subtitle C of the Internal Revenue Code of 1954 with respect to wages paid by the AGENT on behalf of the OWNER and under any similar Federal or State law now or hereinafter in force (and in connection therewith the OWNER agrees upon request to promptly execute and deliver to the AGENT all necessary powers of attorney, notices of appointment and the like).

4. THE OWNER FURTHER AGREES,

- (a) To indemnify, defend and save the AGENT harmless from all suits in connection with the Premises and from liability for damage to property and injuries to or death of any employee or other person whomsoever, and to carry at his own expense public liability, elevator liability (if elevators are part of the equipment of the Premises, and workers compensation insurance naming the OWNER and the AGENT and adequate to protect their interests and in form, substance and amounts reasonably satisfactory to the AGENT, and to furnish to the AGENT certificates evidencing the existence of such insurance. Unless the owner shall provide such insurance and furnish such certificate within thirty days from the date of this agreement, the AGENT may, but shall not be obligated to, place said insurance and charge the cost thereof to the account of the OWNER.)
- (b) To pay all expenses incurred by the AGENT, including, without limitation, attorney's fees for counsel employed to represent the AGENT or the OWNER in any proceeding or suit involving an alleged violation by the AGENT or OWNER, or both, of any constitutional provision, statute, ordinance, law or regulation of any governmental body pertaining to fair employment, Federal Fair Credit Reporting Act, environmental protection, or fair housing, including, without limitation, those prohibiting or making illegal discrimination on the basis of race, creed, color, religion or national origin in the sale, rental or other disposition of housing or any services rendered in connection therewith (unless the AGENT is finally adjudicated to have personally and not in a representative capacity violated such constitutional provision, statute, ordinance, law or regulation), but nothing herein contained shall require the AGENT to employ counsel to represent the OWNER in any such proceeding or suit.
- (c) To indemnify, defend and save the AGENT harmless from all claims, investigations and suits with respect to any alleged or actual violation of state or federal labor laws, it being expressly agreed and understood that as between the OWNER and the AGENT, all persons employed in connection with the Premises are employees of the

OWNER not the AGENT. The OWNER'S obligation under this paragraph 4 (c) shall include the payment of all settlements, judgments, damages, liquidated damages, penalties, forfeitures, back pay awards, court costs, litigation expense and attorney's fees.

- (d) To give adequate advance written notice to the AGENT if payment of mortgage indebtedness, general taxes or special assessments or the placing of fire, steam boiler or any other insurance is desired.**

5. TO PAY THE AGENT EACH MONTH

- (a) FOR MANAGEMENT: Ten percent (10%) of the monthly gross receipts from the operation of the Premises during the period this Agreement remains in full force and effect, whichever is the greater amount.**

6. IT IS MUTUALLY AGREED THAT,

- (a) The OWNER expressly withholds from the AGENT any power or authority to make any structural changes in any building or to make any other major alterations or additions in or to any such building or equipment therein, or to incur any expense chargeable to the owner than expenses related to exercising the express powers above vested in the AGENT without the prior written direction of the OWNER. This does not include such emergency repairs as may be required because of danger to life or property or which are immediately necessary for the preservation of safety of the Premises or the safety of the tenants and occupants thereof or are required to avoid the suspension of any necessary service to the Premises.**
- (b) The AGENT does not assume and is given no responsibility for compliance of any building on the Premises or any equipment therein with the requirements of any statute, ordinance, law or regulation of any governmental body or of any public authority or official thereof having jurisdiction, except to notify the OWNER promptly or forward to the OWNER promptly any complaints, warnings, notices or summonses received by it relating to such matters. The OWNER represents that to the best of his knowledge the Premises and such equipment comply with all such regulations and authorizes the AGENT to disclose the ownership of the Premises to any such officials and agrees to indemnify and hold harmless the AGENT, its representatives, servants and employees, of and from all loss, cost, expense and liability whatsoever which may be imposed on them or any of them by reason of any present or future violation of such laws, ordinances, statutes or regulations.**
- (c) In the event it is alleged or charged that any building on the Premises or any equipment therein or any act or failure to act by the OWNER with respect to the Premises or the sale, rental or other disposition thereof fails to comply with, or is in violation of, any of the requirements of any constitutional provision, statute, ordinance, law or regulation of any governmental body or any order or ruling of any public authority or official thereof having or claiming to have jurisdiction there over, and the AGENT, in its sole and absolute discretion, considers that the action or position of the OWNER or registered managing agent with respect thereto may result in damage or liability to the AGENT, the AGENT shall have the right to**

cancel this Agreement at any time by written notice to the OWNER of its election so to do, which cancellation shall be effective upon the service of such notice. Such notice may be served personally or by registered mail, on or to the person named to receive the AGENT'S monthly statement at the address designated for such person as provided in Paragraph 2 (b) above, and if served by mail shall be deemed to have been served when deposited in the mails. Such cancellation shall not release the indemnities of the owner set forth in Paragraphs 4 and 6 (b) above and shall not terminate any liability or obligation of the OWNER to the AGENT for any payment, reimbursement or other sum of money then due and payable to the AGENT hereunder.

7. This Agreement may be cancelled by the OWNER before the termination date specified in paragraph 1 on not less than *thirty* days prior written notice to the AGENT, provided that such notice is accompanied by payment to the AGENT of a cancellation fee in an amount equal to 50% of the management fee that would accrue over the remainder of the stated term of the agreement.

For this purpose the monthly management fee for the remainder of the stated term shall be presumed to be the same as that of the last month prior to the service of the notice of cancellation. This Agreement shall be binding upon the successors and assigns of the AGENT and the heirs, administrators, executors, successors and assigns of the OWNER.

IN WITNESS WHEREOF, the parties hereto have affixed or caused to be affixed their respective signatures this:

(a)

OWNER:

Signature _____ SS# _____

OWNER:

Signature _____ SS# _____

AGENT:

Signature _____ Date _____