

# AGREEMENT TO MANAGE AND LEASE REAL ESTATE

(This is a legally binding contract. If you do not understand it, seek legal advice.)

## Impact Property Management

P.O. Box 1158  
2007 123<sup>rd</sup> Ave. NE  
Lake Stevens, WA 98258

(425) 334-6361 Office

(425) 334-5645 Fax

This Agreement is made this 1<sup>st</sup> day of Feb., 2012 by and between Impact Property Management (referred to as the AGENT) and East County Park and Rec District (referred to as the OWNER) to secure the services of the Agent and Management of the real property located at 20322 Broadway Ave. Snohomish, WA 98296 (referred to as the PREMISES), under and subject to the following terms and conditions:

### 1. TERM OF AGREEMENT

A. This agreement shall be for a term commencing on the 1<sup>st</sup> day of Feb., 2012 and ending on the 31 day of Jan., 2013. Either party may terminate this Agreement at the end of said term by giving to the other party written notice of termination at least sixty (60) days prior to its expiration. In the absence of said notice, this Agreement will renew itself automatically for an additional term of ONE YEAR and so on from YEAR to YEAR until terminated by either party as above. If the subject property is rented/leased, this agreement shall automatically extend to the end of that rental term.

### 2. EMPLOYMENT & AUTHORITY OF AGENT

A. The Owner hereby appoints Impact Property Management as their sole and exclusive agent to rent, lease, manage and operate the premises.

B. For this purpose, the Agent is authorized to secure the services of other real estate brokers, place newspaper and other advertisements, and post rental signs on the premises.

C. Agent is authorized to enter into contracts with utility companies and to make any necessary changes with change of tenants.

D. The Agent is empowered to sign leases on the Owner's behalf and to enforce the provisions of the same and to collect rents and other sums due, and to dispossess tenants and other persons from the premises.

E. It is understood and agreed that Impact Property Management is the sole and procuring cause of any lease, written or oral, that may be negotiated during the Agreement, even if said lease may be negotiated either directly or indirectly by the Owners themselves.

F. Upon the subject property becoming vacant, Agent shall relist the subject property for rent.

G. Agent is authorized to adjust the desired rent and/or deposit amounts in order to rent the subject property, with owner consent.

### 3. SPECIFIC AUTHORITY ON REPAIRS & ALTERATION

A. To make, or cause to make, and supervise all authorized repairs: to purchase supplies and pay all bills out of receipts collected. Agent agrees to secure the approval of the Owner on all expenditures in excess of \$ 200.00 for any item, except monthly or recurring operating charges and/or emergency repairs in excess of the maximum if, in the opinion of Agent, such repairs are necessary to protect the property of the tenants as called for by their tenancy and to protect the Owner's investment. Owner agrees to deposit \$ 0.00 with Agent to open the account and to provide for prompt payment of current bills. (Out of 1<sup>st</sup> month's rent - to be held in trust account).



B. Owner understands and accepts the fact that maintenance may be accomplished by firms/individuals associated with Agent but in all situations charges shall be competitive with those in the area. It is expressly understood and agreed that all individuals or firms providing maintenance or services are doing so on behalf of Owner only, and not Agent, and Agent is in no way liable to such providers for their compensation, and Agent is in no way liable to Owner or others for an act or omission on the part of any such provider.

C. To hire, employ, discharge and supervise in the name of Owner all labor and employees required for the on-site operation and maintenance of the Premises. Owner shall reimburse agent for the salaries and wages paid to such personnel. As an outside independent contractor, Owner or Agent is not liable for contractors insurance.

#### 4. RESPONSIBILITIES OF THE AGENT

A. Discuss with owner advertising options and strategies.

B. Collect all the rents and income due from tenants when such amounts become due, and deposit same into security trust account and/or property management trust account maintained on behalf of the Owner. Withdraw from such account all funds needed for disbursement for expenses payable by Owner including, without limitations, the Agent's compensation.

C. Collect security deposits under any lease and place same into trust accounts as may be required by law. Any interest earned from said deposit(s) will become the property of Impact Property Management.

D. Maintain accurate and complete accounting record of all receipts and disbursements, and to submit monthly, a written statement to the Owners indicating collections and expenses.

E. To deposit all receipts collected for Owner (less sums properly deducted or otherwise provided herein) in a Trust Account in a national or state institution, FSLIC or Federally Insured bank, qualified to engage in the banking or trust business, separate from Agent's personal account. However, Agent will not be held liable in event of bankruptcy or failure of depository.

F. Landlord shall forward all rents collected, less expenses, to Owner by the 10<sup>th</sup> day of each month (unless the 10<sup>th</sup> falls on a weekend or holiday) together with an accounting sheet for rents collected that month and any repairs/maintenance completed and billed for the previous month.

#### 5. RESPONSIBILITIES OF THE OWNER

A. To promptly furnish Agent with all documents and records needed to properly manage the Premises, including but not limited to correspondence, rental agreements/leases, status of rental payments, insurance policies, and copies of existing service contracts.

B. To reimburse Agent, upon demand, to the full extent for all monies expended or direct costs incurred in the name of Agents, if any, by Agent for Owner's account carrying out the purpose of this Agreement. This includes all costs associated with advertising in conjunction with efforts to lease or rent the property.

C. Owner will provide Agent with 3 FULL sets of keys to the Premises. A FULL set consists of one key for every lock on the Premises, including but not limited to, the front door and overhead garage door, if applicable. Lessee will receive 2 sets of keys and Agent will retain 1 set for access to the Premises.

D. Owner agrees to maintain all appliances provided by owner. No exceptions will be made.

#### 6. COMPENSATION OF THE AGENT

In consideration of the services to be rendered by the Agent, the Owner agrees to pay the Agent any or all of the following forms of compensation as may be applicable:

A. FOR MANAGEMENT: A fee equal to 9 (nine) percent of all rent beginning when occupied, payable monthly



and collectible by Agent.

B. FOR LEASING: Commission of the greater of 75% of a full month's rent or \$500, for any lease or month-to-month agreement. Re-lease to existing occupant, the greater of 25% of one month's rent or \$250. Owner to pay for newspaper advertising, to be deducted from Owner's rental income (if applicable).

C. LEASE CHARGES: Fees for NSF checks by tenants or charges for posting any necessary notices under any lease are the property of the Agent to offset the Agent's expense of enforcing the respective lease conditions and provisions. Agent is authorized to retain, for Agent's services, any late fees collected.

D. APPLICATION FEES: Fees for lease applications are the property of the Agent to offset the Agent's expense of screening applicants.

E. LISTING HOME FOR SALE: If owner decides to list home for sale at the expiration of this management agreement and signs a listing agreement with Task Properties, Inc, owner will receive a 1% reduction in the listing commission paid to Task Properties, Inc. If your property is currently listed with another Brokerage/Agent, this is not meant to be a solicitation.

## 7. INDEMNIFICATION

The Owner shall save the Agent harmless from all suits for damages in connection with proper management of the Premises, and from liability for injuries suffered by any person while on the Premises. The Owner shall carry, at Owner's expense, sufficient public liability insurance as may be necessary for Agent designated as an additional insured. See #16, Insurance. Agent shall not be held responsible for damages caused by tenant.

## 8. INVOLUNTARY CANCELLATION BY AGENT

Notwithstanding any other provisions of this Agreement, the Agent may elect to immediately cancel this Agreement upon the occurrence of any of the following circumstances:

A. In the event of a benefit sale or demolition of Premises.

B. If a petition for bankruptcy is filed by either the Owner or the Agent, or if either shall make an assignment for the benefit of creditors or take advantage of any insolvency act.

C. If the Owners shall fail to comply with any rule, order, determination, ordinance of law of any federal, state or local authority, relating to the operation of the Premises.

D. If Owner becomes delinquent in mortgage payments, property taxes, and/or the property enters foreclosure proceedings. In the event Owner sells, transfers, or loses the subject property by foreclosure, the cancellation fee and terms shall apply. Owner is responsible to notify Agent in a timely manner prior to said transfer.

## 9. BINDING AUTHORITY

This Agreement shall be binding upon the successors and assigns of the Agent, and the heirs, administrators, executors, successors and assigns of the Owner.

## 10. LEGAL ACTION

A. Should legal action be required to enforce the terms of any tenancy or to terminate the same, or for the preparation of commercial leases or other matters in connection with the management of said property, the same shall be paid by the Owner. In the event legal action is necessary to enforce any provisions of this Agreement, the non-prevailing party shall pay attorney fees and costs of the prevailing party. Agent shall use a 3-day notice and use every effort to have tenants removed.



B. Agent is not responsible for performing evictions of tenants. Agent will coordinate with an eviction company to handle all evictions of tenants, and cooperate in arranging all functions of assisting the eviction company to remove tenants in a timely manner. Broker will serve notices to try and avoid evictions and collect rents in a timely manner to our best ability. With approval of Owner, Landlord Tenant Services shall be used for eviction process at a cost of no more than 100% of Landlord Tenant Service charges.

### 11. EARLY TERMINATION BY OWNER

If this agreement is cancelled within 90 days of the start date and a tenant has not been secured, a \$500 cancellation fee shall apply. If a tenant has been secured, a lease will need to be executed between Owner and Tenant eliminating Impact Property Management as a party or this agreement shall remain in effect. Owner shall provide Impact Property Management an executed copy. If a tenant has been secured, a cancellation fee in the amount of 75% of the outstanding management fees will apply.

### 12. LANDLORD/TENANT ACT

Owner acknowledges awareness of the Landlord/Tenant Act of Washington State and understands Agent will act in according to its provisions.

### 13: OWNER INFORMATION

For the purpose of this Agreement, the Owner's address shall be:

Clayton Secretarial Plus 333 S Lewis St. Monroe 98272 SS# 521687488 Whose? \_\_\_\_\_  
425-308-2836

CELL #: 425-268-0846, WORK # \_\_\_\_\_, FAX # \_\_\_\_\_, E-MAIL \_\_\_\_\_  
Clayton Secretarial Plus@frontier.com

### 14: OTHER ITEMS OF MUTUAL AGREEMENT

Security Deposit \$ equal to one month's rent

Rental Amount \$ 1400

OK to accept a 3<sup>rd</sup> party payee? \_\_\_\_ Yes \_\_\_\_ No (example: Section 8 Housing)

Length of Lease 1 year

Pets Allowed No Will consider, with deposit \_\_\_\_ No, Additional Deposit \$ \_\_\_\_\_

Appliances provided by owner Yes

Utilities paid by Owner: Water & Gas

Other items per agreement \_\_\_\_\_

### 15: HOMEOWNERS ASSOCIATION

Is your home part of a Home Owners Association? \_\_\_\_ Yes X No

Are there any Rules and Regulations for the Association? \_\_\_\_ Yes \_\_\_\_ No

- If yes, a copy of the rules must be provided to Agent prior to listing home.

What is the minimum lease length allowed per the Association? \_\_\_\_\_

Contact Information for Association management: \_\_\_\_\_

Is there any pending litigation against the Association? \_\_\_\_ Yes X No

Are there any legal impediments on the property? \_\_\_\_ Yes X No

- A legal impediment is a disability or obstruction that prevents an individual from entering into a contract.

Are all dues and insurance payments current? X Yes \_\_\_\_ No



16: PROPERTY DISCLOSURE

Are there any known material defects on the property? \_\_\_\_ Yes ☒ No

- A material defect is a problem with a residential real property or any portion of it that would have a significant adverse impact on the value of the property or that involves an unreasonable risk to people on the property. Examples are a cracked foundation, rotted deck, or a leaking roof.
- If yes, please explain: \_\_\_\_\_

Are all mortgage payments and taxes current? ☒ Yes \_\_\_\_ No

Is the property currently in foreclosure? \_\_\_\_ Yes ☒ No

Is there current liability insurance on the property? ☒ Yes \_\_\_\_ No

- If yes, please provide information below (#16)

Are all insurance payments current? \_\_\_\_ Yes \_\_\_\_ No

Effective January 1<sup>st</sup> 2013, all residential units must have a carbon monoxide detector installed outside of the sleeping area(s).

Does your home currently comply with this requirement? ☒ Yes \_\_\_\_ No

- If you answered "No", does Agent have the authority to have the required number of units installed and bill you for the cost? \_\_\_\_ Yes \_\_\_\_ No
- If Agent is not authorized to install units as required by law, a tenant will not be able to occupy the premises until the required units are present and functional.

17: INSURANCE

Type & Policy # Enduris

Amount \$ \_\_\_\_\_

Agent - Main Office \_\_\_\_\_ Phone # \_\_\_\_\_

The above terms and conditions are acknowledged and accepted.

[Signature]  
OWNER

2/1/2012  
DATE

[Signature]  
PROPERTY MANAGER

2/2/12  
DATE

\_\_\_\_\_  
OWNER

\_\_\_\_\_  
DATE

DISCLOSURE OF INFORMATION ON LEAD-BASED AND LEAD-BASED PAINT HAZARDS LEAD WARNING STATEMENT

Housing built before 1978 may contain lead-based paint. Lead from paint, paint chips, and dust can pose health hazards if not taken care of properly. Lead exposure is especially harmful to young children and pregnant women. Before renting pre-1978 housing, landlords must disclose the presence of known lead-based paint and lead-based paint hazards in the dwelling. Tenants must also receive a Federally approved pamphlet on lead poisoning prevention.

LESSOR'S DISCLOSURE (initial)

- (a) Presence of lead-based paint or lead-based paint hazards (check one below):

\_\_\_\_\_ Known lead-based paint and/or lead based paint hazards are present in the housing (explain).

X

\_\_\_\_\_ Lessor has no knowledge of lead-based and/or lead-based paint hazards in the housing.

- (b) Records and reports available to the lessor (check one below):

\_\_\_\_\_ Lessor has provided the lessee with all the available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing ( list documents below).

X

\_\_\_\_\_ Lessor has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

LESSEE'S ACKNOWLEDGMENT (initial)

- SL (c) Lessee has received copies of all information listed above.

- SL (d) Lessee has received the pamphlet *Protect Your Family From Lead In Your Home*.

AGENT'S ACKNOWLEDGMENT (initial)

- SL (e) Agent has informed the lessor of the lessor's obligations under 42 U.S.A. 4852(d) and is aware of his/her responsibility to ensure compliance.

CERTIFICATE OF ACCURACY

The following parties have reviewed the information above and certify, to the best of their knowledge, that the information provided by the signatory is true and accurate.

SL 2/1/12  
LESSOR Date

LESSOR Date

LESSEE Date

LESSEE Date

LESSEE Date

Mind/ham 2/2/12  
AGENT Date



mike Herman (mike@impactpropertymgmt.com) - Thu, 02/02/12 14:10:54 -0800

**Show Full Headers | Print | Close Printer View**

**From:** "George Barnecut" <gbarnecut@gmail.com>  
**Reply-To:** gbarnecut@gmail.com  
**To:** mike@impactpropertymgmt.com  
**Subject:** Fw: Insurance Info  
**Date:** Wed 02/01/12 04:41 PM

-----Original Message-----

From: Susan Clayton  
To: George  
Subject: RE: Insurance Info  
Sent: Feb 1, 2012 3:50 PM

George - I don't have the policy # or amount handy, but here is all the rest of the contact information.

FYI Enduris is an insurance pool of municipalities throughout the state...

Enduris  
1610 S. Technology Blvd., Spokane, WA 99224  
Mailing address PO Box 19330, Spokane, WA 99219.  
Phone numbers: 509-838-0910 or 1-800-462-8418  
Contacts: Sue Cronk, Sindy Joseph, or Suzanne Heath

-----Original Message-----

From: george barnecut [mailto:gbarnecut@gmail.com]  
Sent: Wednesday, February 01, 2012 3:32 PM  
To: Susan Clayton  
Subject: Insurance Info

Susan,

would it be possible for you to forward me the following information regarding the insurance at the park. I need to fill out an property mgt.

contract and I don't have the info.

Here's what I need.

Type & Policy #  
Amount \$  
Agent-Main Office  
Phone #

Thanks  
George=

Sent via BlackBerry from T-Mobile

mike Herman (mike@impactpropertymgmt.com) - Thu, 02/02/12 14:10:54 -0800

available
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AVAILABLE RENTALS \$1400 ~~per~~  
(flv after 1 mo)

Property Address: SD Monroe Type: 2 story  
 Area: Maltby  
 Date: PM Account: Yes  
 Terms and Availability: Owner: Vacant: Yes  
 Rent: Pet: NO (don't ask) Avail Date: Now  
 Deposit: Pet Dep: Pet Fee: Box:  
 Terms: 1st / dep. Smokin: NO Box:  
 Rental Length: 1 yr. Pet Notes: Notes:  
 Call to Show Home Phone: Alt Phone:

	Bsm:	1	2	3	Comments
Bedroom	X	1	3		
Ham Room					
Bath					
Dining Room					
Liv Room					
Fireplace					
Rec Room					
Kitchen		X			
Util Room					
Den					

Sq. Footage: Garage: Has: GFA  
 Year Built: Carport: Floors:  
 Owner Pd Unit: water(?) / sewer Pkg Spc Windows:  
 W/D: X Hookup: Ovs: Microwave: DW: Fridg: Dis:  
 Xstainless

Appl Not Warranted  
 Yard Notes: tenant  
 Comments: Quick freeway access  
 only want good people, no hurry  
 dumpster + parking NOT to be used water included? (25/mo)  
 Driving Directions: Waste Management