

Mel & Jay Management, LLC
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**MEL & JAY MANAGEMENT, LLC
PROPERTY MANAGEMENT CONTRACT**

This Agreement is entered by and between **Mel & Jay Management, LLC**, hereinafter called "**Agent**," and

Name: _____

Street Address: _____

City, State, ZIP: _____

Telephone Numbers: _____ Email: _____

hereinafter called "**Owner**."

WITNESSETH that, in order to induce the Agent to enter into this agreement:

Owner hereby represents to Agent that Owner holds legal title to the **Property** described. In consideration of this presentation and the fees to be paid, Agent agrees to act as management agent with respect to this property, subject to and in accordance with the terms and provisions set forth below.

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I. AGENT'S DUTIES AND RESPONSIBILITIES:

- A.** Acquire Tenants, negotiate leases, and collect rents.
- B.** Provide monthly income and expense reports.
- C.** Forward monthly net proceeds
- D.** Monitor the Property and its tenants, communicate with tenants, perform repairs and maintenance, respond to complaints.
- E.** Assess and perform routine, minor and emergency repairs and maintenance.
- F.** Prepare properties for renting.
- G.** Assess major repairs and capital improvements needs and provide estimates to owner when required.
- H.** Work with municipal Code Enforcement on any cited violations pertaining to the Property or renewals of Certificates of Occupancy
- I.** Provide periodic reports to Owner on the general condition of the property.

II. AGENT'S COMPENSATION:

Agent will collect management fees for overseeing the care and maintenance of Owners properties. The standard monthly management fee is intended to cover the normal rent collection process, administrative costs, being "on call" 24 hours a day, occasional exterior drive-by inspections, taking tenants phone calls and occasional walk-through inspections. These fees specifically do not cover meeting with inspectors; ameliorating code violations; providing estimates for repairs, maintenance or construction; paying property-related expenses such as mortgages, taxes, utility and water bills; property evaluation services in preparation for potential new purchases; dealing with governmental agencies, advertising; skip tracing; collecting debts or any legal expenses.

A. Contract Initiation Fees: In order to cover the cost of the initial inspection and administrative fees Agent is entitled to a non-refundable fee of \$75.00 per rental unit with the minimum charge for any property being \$150.00. If new properties are added by owner during the term of Agent's contract, Agent will be entitled to an additional non-refundable fee of \$75.00 per rental unit with the minimum charge for any property being \$150.00..

B. Tenant Acquisition Fee: A tenant acquisition fee equal to one month's rent shall be charged for each new tenant acquired for Owner's properties. No fee shall be charged to release premises to an existing tenant who is extending occupancy for a new lease period.

C. Management Fee: A monthly management fee shall be charged for each rented unit, consisting of 10% of the collected rent. If rent for an occupied unit is not collected, there will be no management fee charged. A \$30.00 management fee will be charged for all empty units.

D. Bill Payment Fee: Agent's fee for paying property related bills such as mortgages, taxes, utility and water bills, Rental Registry fees, etc. is \$20 per month per property.

E. Late Charges: Any late charge: judicial fine, penalty, or interest collected from the tenant shall be retained by Agent as an additional fee to cover Agents collection costs.

III. LEASING:

A. Owner hereby authorizes Agent to rent the premises at a monthly rent which shall be agreed to by both Agent and Owner.

B. Agent shall collect an amount equal to one month's rent as a security deposit from all tenants or arrange for some other form of security of equal value. Agent shall recommend to Owner the amount of damage deposit to be returned to tenant based on property conditions at that time.

IV. DISBURSEMENTS:

A. Rents collected by Agent but not yet paid to Owner will be considered Owner's "Funds on Hand." Agent shall disburse from these funds, following expenditures as they shall accrue and in the order here set out:

- a. Agent's compensation.
- b. The cost of utility bills (including gas, electric, and water) when applicable.
- c. Repairs, remodeling, construction, and/or maintenance expenses.
- d. All other charges with respect to managing the Owners property.

B. Tenancy revenues, refunds, adjustments, or other funds due Owner shall be sent to:

C. It is expressly agreed that nothing herein contained shall be construed as requiring Agent to advance any of its own moneys for any purpose whatsoever.

D. In the event Owner's "Funds on Hand" are insufficient to reimburse Agent for the expenditures as

outlined above, Owner shall immediately remit to Agent additional funds in an adequate amount to cover such shortfalls.

V. GENERAL PROVISIONS:

A. Residential Properties Only: This contract is intended to be used for residential properties only. Commercial properties are not covered hereunder.

B. Grant of Power: Subject to the limitations set out herein, Owner grants Agent full power and authority to lease, let, rent and demise the real property described, or any part thereof, in its own name as Agent for Owner. In order to effectuate same, Agent may enter into such written contracts and/or leases as Agent deems necessary, in its own name as Agent for Owner. Agent may collect and receive all rents arising as a result of Agent's management of the premises. Agent may use such means as are ordinary and customary in collecting or attempting to collect any delinquent accounts. Agent may, at his discretion evict any tenant who violates any term of the lease. Owner hereby assigns to Agent any and all delinquent rents which may accrue from any tenant for the purpose of crediting such rents to Owner's operating account for required disbursement.

C. Collection of Rent: Agent shall use such means as are ordinary and customary to collect or attempt to collect any rent from any tenant of the premises. If a late charge, judicial fine, penalty, or multiple damage, or interest is collected from the tenant, it shall be considered income to Agent for its additional effort and time. Agent will, when requested by Owner, instigate legal action for the collection of rents, provided such action is considered reasonable by the Agent. Agent shall not be held monetarily responsible for its inability to collect rents. Agent shall not be held monetarily responsible for any expenses incurred for legal action involved in the collection of rents and/or the eviction of any tenant and/or damages incurred to the property. All such expenses shall be paid by Owner.

D. Repairs and Maintenance: Owner agrees and is obligated to maintain all properties covered by this contract in a rentable and livable condition as determined by Agent, in accordance with sound management principles and appropriate legal requirements. Owner agrees to satisfy all code violations. Without the pre-approval of Owner, Agent shall have full authority to perform or to cause to be performed such maintenance of the property as is reasonable and necessary for the safety of the tenants; to bring properties "up to code"; to preserve the property; to make emergency repairs; to repair to appliances owned by Owner, to make minor repairs of electrical, plumbing and heating systems of a nature that if not corrected will result in damage to the Property, or may cause damage to a tenant's property, to make repairs required by Code Enforcement; to accomplish recurring maintenance such as and including grass and weed cutting, debris removal, and snow and ice control; to replace broken windows. Agent may, at his sole discretion, install new locks, fire/smoke detectors, carbon monoxide detectors, fire extinguishers and/or other items that may be required by law on or in the property at Agent's discretion at Owner's expense. Owner expressly grants Agent full power and authority to effect contract and pay for any and all repairs, maintenance and cleaning costs which in its discretion it deems necessary or advisable to put the premises in a rentable condition. Capital improvements and major repairs (excluding emergency repairs) shall be made only after notice is given to Owner and Owner approves such repairs.

E. Cost of Repairs and Maintenance. The repairs and maintenance performed by Agent as authorized under this Agreement shall be charged to Owner on the basis of time expended and cost of materials, and Owner hereby authorizes Agent to subtract any and all such costs from rents collected by Agent. If costs of Repairs and Maintenance exceed Owner's funds on hand with Agent, Owner shall promptly remit the balance upon Agent's request. In an emergency, as determined at Agent's discretion, Owner authorizes Agent's expenditure in excess of funds on hand without prior authorization. Owner shall thereafter promptly remit, upon Agent's request, the requested balance. Failure of Owner to remit balances described in this subparagraph shall result in Agent's reimbursement from subsequent revenues ordinarily accruing and payable to Owner

F. Insurance Coverage: Owner is obligated, at Owner's expense, to keep the necessary Fire and Extended Coverage and Liability Insurance for Owner's properties current and renewed.

G. Liability of Agent: It is agreed that Agent shall use reasonable and ordinary care in the selection of tenants and all other acts assigned for performance by this Agreement. When any act is required of the

Agent it shall be done in the ordinary course of Agent's business. Agent shall not be personally liable for any act it may do or omit to do hereunder as Agent while acting in good faith, exercising its best judgment. Agent is hereby expressly authorized to comply with and obey any and all process, orders, judgment or decree, it decrees of any court; where Agent obeys or complies with any such process, order, judgment or decree, it shall not be liable to Owner or any person, firm, or corporation by reason of such compliance, notwithstanding subsequent reversal or modification. Agent is hereby expressly authorized to comply with any laws, whether now in existence or hereinafter enacted, and whether federal, state, or local, relating to fair housing, rent control, discrimination, and health and welfare. Agent is expressly authorized to comply with the rule or order of any governmental agency, insofar as such order in any manner affects the management of the premises or any duties of the Agent hereunder.

H. Accounting for Funds: Agent shall furnish Owner a monthly statement showing the receipts and expenditures with respect to Owner's properties. Agent shall furnish a final accounting upon the termination of this agreement within thirty (30) days from the termination of this agreement.

I. Security and Damage Deposits: An amount equal to all tenant security and damage deposits shall be maintained in a separate account by Owner to be remitted to Tenant by the Owner in accordance with determinations considering the property's condition and consistent with New York State Law. Once Security and Damage Deposits have been forwarded to Owner, Owner assumes all responsibility for their distribution. Agent shall have no obligation or liability whatsoever concerning security deposits to any person or entity; and Owner shall hold Agent harmless therefrom.

J. Address of Owner: Owner expressly agrees, within twenty (20) days of change, to advise Agent, in writing, of any change of address or phone number. Unless otherwise specifically arranged in writing, any notice or accounting statement or other document required or desired to be given by Agent to Owner may be given by mailing to the address noted hereon, or the most recent address of Owner shown in the records of the Agent; and notice so mailed shall be as effectual as if served upon such party in person at the time of depositing such notice in the mail.

K. Term: The term of this agreement shall commence on the effective date hereof and shall continue without interruption until terminated by either party. This agreement may be terminated by either party upon thirty (30) day's written notice. If so terminated, Owner shall retake possession of the premises, subject to the rights of any tenant rightfully in possession. Owner's proceeds shall be distributed by Agent thirty (30) days after termination date, unless outstanding Agent or third-party obligations remain, in which case distribution shall be accomplished immediately after the last such obligation is satisfied.

L. Deficit Account: In the event of Agent's termination, should there be any outstanding and unpaid obligations, debts, or charges due Agent, any amounts on account or received by Agent on account or otherwise due Owner shall be applied first to satisfy those obligations and then disbursed to Owner. Agent's lien rights against the subject property shall not be waived by this provision.

M. Partial Waive of Acquiescence to Bar: Agent's waiver, forbearance, or acquiescence of any of its rights or remedies, in whole or in part, shall not serve to waive, bar, or compromise any contemporaneous or subsequent right or remedy.

N. Attorney Fees and Costs: The unsuccessful party in litigation to enforce the terms and conditions of this Agreement shall pay the reasonable attorney fees and costs of the successful party.

O. Whole Agreement: This writing embodies the entire agreement between the parties and is not based upon any other representation whatsoever, expressed or implied, except as herein contained. The Agreement cannot be modified except in writing by the parties.

VI. EFFECTIVE DATE:

Management by Agent shall be effective on: _____

IN WITNESS WHEREOF:

The parties hereto have hereunto set their hands this _____ day of _____ 20_____

Mel & Jay Management, LLC By: _____
Authorized Signature

Owner's Signature: _____

Owner's Social Security Number or Federal I.D. Number. _____