



PROPERTY MANAGEMENT AGREEMENT

This Agreement is, by and between OWNER (hereinafter, called "Owner") and KEFALOS & ASSOCIATES REAL ESTATE, INC. (hereinafter, called "Agent").

WHEREAS Owner owns certain real property located in the County of Allegheny, and the Commonwealth of Pennsylvania, located at ADDRESS PITTSBURGH, PA 15213 (hereinafter, collectively the "Property"); and

WHEREAS Agent is engaged in the business of managing real property owned by others, and

WHEREAS Owner and Agent wish to provide for the orderly operation, maintenance, repair, and management of the Property.

NOW THEREFORE, intending to be legally bound, the parties hereto agree as follows:

1. Recitals. The foregoing recitals are incorporated herein by reference.
2. Appointment and Acceptance. Owner hereby appoints and employs Agent as sole and exclusive Agent of Owner to lease and manage the Property upon the terms and conditions provided herein. Agent accepts the appointment and agrees to furnish the services of its organization for the leasing, operation, maintenance, repair, and management of the Property.
3. Term. This Agreement shall become effective on DATE shall continue in full force and effect hereinafter set forth for the period of One Year and thereafter for yearly periods.
4. Termination of Agreement. Either party may terminate this Agreement by serving the other a sixty (60) day notice in writing; said **sixty-day notice** to begin on the first day of the month following receipt of notice.
 - a. When termination of said Agreement is initiated by the Owner then the Owner agrees to pay Agent the management fee at rate established herein, for the unexpired term of the Agreement and the commission at rate established herein, for the unexpired term of any lease or leases for those tenants secured by Agent for Owner.
 - b. Property management company must provide the property Owner with copies of all leases 14 days prior to contract termination; All money owed to either party must be paid within 30 days of contract termination.
5. Collection and Remittance of Income. The Agent is authorized to collect the rents and other income from the Property promptly when such amounts become due and shall deposit all amounts so collected in a bank account maintained by the Agent, separate from the Agent's personal account. The Agent may withdraw from such bank account all disbursements which under this Agreement are to be made at the expense of the Owner. The Agent will not be held liable in the event of bankruptcy or failure of the depository.



6. Security Deposits. The Agent shall collect all security deposits paid by tenants and shall retain all collected funding in an appropriate escrow account as per the Commonwealth of Pennsylvania Act of Assembly, No.22 approved April 6, 1951, entitled "The Landlord and Tenant Act of 1951'.
7. Leasing Vacant Space. Agent shall use all reasonable efforts to lease the Property space to desirable tenants. Agent is authorized, but shall not be required, to advertise the Property or portions thereof for rent, using one or more of the following: periodicals, signs, plans, brochures, or displays, or such other means as Agent may deem proper and advisable, provided that Owner agrees to be responsible for all costs associated with such advertising. Agent is authorized to place signs on the Property advertising them for rent, provided such signs comply with applicable laws. Agent is authorized to negotiate, prepare, and execute all leases, including all renewals and extensions of leases and to cancel and modify existing leases, to sign and serve such notices as are deemed appropriate by Agent, to institute and prosecute action to oust tenants and to recover possession, and to settle, compromise and release such actions or suits to reinstate such leases, whether procured by Agent or Owner.
8. Operations. Agent is authorized to make or cause to be made through contracted services or otherwise, all ordinary repairs and replacements reasonably necessary to preserve the Property in its present condition and all alterations required to comply with lease requirements, governmental regulations, insurance requirements, or repairs immediately necessary for the preservation and safety of the Property, or to avoid the suspension of any essential service to the Property, or to avoid danger to life or property, or to comply with federal, state, or local law. Agent is also authorized to enter into Agreements in Owner's name for all necessary repairs, maintenance, minor alterations, and utility services. Agent shall also be authorized to make, or continue, in Owner's name and at Owner's expense contracts on Owner's behalf for electricity, gas, fuel or water, and such other services as Agent shall deem necessary or prudent for the operation of the Property.
9. General Authority/Employees. Agent is authorized to perform all services, in addition to foregoing, necessary for the management of the Property. Such services shall include: to employ, discharge, supervise and pay all servants, employees, or contractors considered by the Agent as necessary for the maintenance and operation of the Property and to engage attorneys to commence, prosecute or defend any legal action which the Agent deems necessary to dispose any tenant or other person from the Property, or to otherwise enforce any lease or other contract or agreements executed by Agent on behalf of Owner or to defend any action filed against Agent or Owner. The Agent shall not be liable to the Owner or to others for any act or omission on the part of such employees or attorneys if the Agent has taken reasonable care in their selection.
10. Building and Maintenance.
 - a. Hiring/firing/supervision of on-site personnel
 - b. Supervision of entire staff
 - c. Supervision of mechanical equipment, maintenance, and repair
 - d. Inspection of outside contractor performance
 - e. seek bids, award contracts, and monitor completion of work per vendors or contractor's contract



11. Fiscal Duties.

- a. Collect all monthly rents
- b. Follow up on delinquencies
- c. File for possession of property on delinquent tenants (working with legal counsel)
- d. Invoice approval and payment: No markup is to be charged on any product or service
- e. Financial report preparation
- f. Statement of receipts and disbursements
- g. Cash flow analysis
- h. Year-end financial report (unaudited)
- i. Reserve analysis (long-term planning)

12. Additional Duties and Responsibilities. The Agent further agrees to perform the following duties and responsibilities:

- a. To use reasonable diligence in investigating references of prospective tenants.
- b. To aid, assist, and cooperate in the matter of real property taxes and insurance loss adjustments and to perform such duties in connection therewith as may be reasonably requested by the owner and as are consistent with the scope of services to be rendered by Agent under the terms of this Agreement.
- c. To render monthly statements to Owner, remitting the amount collected during the month, less disbursements, (including agent's commission and fees) made on behalf of and for the account of the Owner.
- d. To account to the Owner for all rebates and/or discounts that Agent may receive on account of expenditure or contracts for the account of said premises and all other rebates and/or discounts shall accrue to the benefit of the Owner.

13. Emergency Services. Agent maintains normal business hours between 7 am - 5 pm, Monday - Friday and observes all Federal holidays. Agent will maintain a 24-hour phone number – 412-874-5548 to be used as needed to address after hour's needs. Emergency service visits are described as unscheduled property visits authorized by tenants and owners. Billing for required outside service vendors will be in addition to Kefalos bills.

- a. Emergency Service visits by Agent personnel outside of normal business hours - \$150.00 for the first 1/2 hour and \$175.00 per additional hour(s)

14. Expenditures. Agent will seek approval from Owner for all expenditures \$1,000.00 or more unless previously approved.

15. Special Provisions. Agent will manage construction/renovation projects (over and above typical annual maintenance contracts) defined by more than \$5,000.00 and on an hourly basis at a rate of \$75.00 per hour.



16. Attorney-in-Fact. Owner does hereby appoint Agent as its Attorney-in-Fact, and as such does hereby authorize said Agent to negotiate and execute on behalf of Owner all leases, extensions, renewals or other contracts or agreements as Agent deems are reasonable, necessary for the management of the Property, and to commence any and all legal actions as Agent deems necessary to enforce any lease, extension or renewal, or to institute and prosecute actions to oust and/or evict tenants and recover possession, to sue and recover rents and other sums due, and to settle /compromise and release such actions or suits or reinstate such tenants, in the name of the Agent or Owner or to defend any action brought by any party against Agent or Owner. In connection therewith Agent is authorized to engage counsel and to pay such fees and costs as may be necessary to enforce any lease extension or renewal or other contract or agreement executed by Agent on behalf of Owner in connection with the management of the Property or to defend any action brought by any party against Agent or Owner in connection therewith.
17. Agent's Liability/Indemnification. The Owner acknowledges and agrees that the Agent is acting as agent for Owner only in leasing and managing the Property. Agent assumes no liability whatsoever for any acts or omissions of Owner or any previous Agents of the Property. Agent assumes no liability for any failure of or default by any tenant in the payment of rent or other charges due Owner or in the performance of any obligations owed by any unit tenant to the Owner pursuant to any lease or otherwise, nor does Agent assume any liability for violations or any obligations or responsibilities of the Owner with respect to the Property under any environmental laws or regulations.
18. Rates. Rates of Commissions or other fees for the sales, lease, or management of real Property shall be negotiable between a broker and his client. The Real Estate Licensing and Registration Act establishes a Real Estate Recovery Fund. Further information concerning this fund can be obtained by calling the Pennsylvania Real Estate Commission at (717) 783-3658.
19. Insurance. The Owner hereby agrees to indemnify and save harmless the Agent against any and all loss, damage, costs, and expenses, which Agent may hereafter suffer or incur by reason of its management of the property, and from liability for injuries suffered by any employee of other persons whomever, and to carry at Owner's own expense, public liability insurance adequate to protect the interest of all parties hereto.
20. Binding. This Agreement is entered into by and between the Owner and Agent and shall be binding upon the successors and assigns of the Agent, and the heirs, executors, administrators, successors, and assigns of the Owner.
21. Agent's Fee. Agent shall be entitled to pay itself
- 10.0%** commission on all rents and other income it collects from the tenants and others of the Property.
 - 100%** of the first full month's rental rate on all leases to new tenants secured by Agent.
 - \$150.00** fee for each lease renewal.
 - \$100.00** one-time onboarding fee.
 - Property accounts in arrears (negative balance) will be subject to a finance charge of **1.5% per month (18% per annum)** which will be applied to month end balance



f. Additional fees:

- i. Rental Registration/Occupancy Fee: \$25.00 + Borough Fee
- ii. Utility Turn-on Fee: \$25.00 + \$50.00 onsite fee if applicable
- iii. Eviction Fee (Tenants we've placed): \$0 eviction, \$100.00 possession + all magistrate fees
- iv. Eviction Fee (Previously placed tenants): \$250.00 eviction, \$100.00 possession + all magistrate fees
- v. Emergency Rate: \$150.00 for first ½ hour + \$175.00 per additional hour(s)

22. Consumer Notice. Owner has received and executed the Consumer Notice as adopted by the State Real Estate Commission at 49 Pa. Code 35.366 and is herein attached to this Agreement.

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

SIGNATURES:

Owner

Date

Tax ID Number

Kefalos & Associates Real Estate

Date

Owner Contact Info:

Address: _____

Email: _____

Phone: _____