

# THE NORDSTROM GROUP, INC.

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## MANAGEMENT AGREEMENT

In consideration of the covenants herein contained;

\_\_\_\_\_ hereinafter called the "OWNER" and **The Nordstrom Group, Inc.**, hereinafter called the "AGENT", agrees as follows:

**EMPLOYMENT TERM:** The OWNER hereby employs the AGENT exclusively to rent, lease, operate and manage the property known as \_\_\_\_\_, beginning on \_\_\_\_\_ and ending on \_\_\_\_\_ with an automatic renewal commencing at the expiration of this agreement by Agent mailing a certified notice to Owner at least 30 days prior to expiration.

**EMPLOYMENT DUTIES:** To use diligence in the management of the premises for the period described above, in compliance with the terms herein contained and agrees to furnish the services of AGENT to protect the interest of the OWNER.

**MONTHLY STATEMENT AND RENTAL PROCEEDS:** To render monthly statements of receipts, expenses and charges, and to remit all receipts in excess of the security deposit and the reserve funds held for repairs, to the OWNER at the following address:

Postal Address: \_\_\_\_\_  
\_\_\_\_\_

Email Address: \_\_\_\_\_

**OWNERS RETAINED OPERATING BALANCE:** OWNER hereby agrees to remit to AGENT any shortage prior to the payment of bills and authorizes AGENT to retain \_\_\_\_\_ of owner funds in their account for such purposes. All funds collected for OWNER, including tenant deposits and fees, shall be promptly deposited in AGENT'S interest bearing trust account with a federally insured banking institution located in Arizona. Interest earned by this account shall be used by AGENT to offset banking and accounting costs. AGENT is not responsible for loss of funds due to failure or bankruptcy of said bank.

**AUTHORITIES AND POWERS:** The OWNER hereby gives the AGENT the following authority and powers and agrees to assume the expense of:

- a) Advertising the property for rent in a reasonable manner. This may include but not be limited to the placement of signs, Multiple Listing Service (MLS), and purchase of advertising in local publications.
- b) To sign, renew and cancel leases for the premises or any part thereof; to collect rents due or that become due and give receipts thereof; to take legal action on behalf of the OWNER to enforce the terms and conditions of leases.
- c) To make or cause to be made repairs and alterations, to purchase supplies, re-key all locks on unfurnished homes when tenants change, and pay all bills for the property. The AGENT agrees to secure prior approval of the OWNER on all expenditures in excess of \$200.00 for any one item, except monthly or recurring operating expenses and/or emergency repairs in excess of the maximum if, in the opinion of the AGENT, such repairs are necessary to protect the property from damage or to maintain services to the tenants as called for in their lease.
- d) To contract all labor required for the operation and maintenance of the premises. Such contractors are ultimately retained by the OWNER and not by the AGENT. The AGENT shall not be responsible for their acts, defaults or negligence if reasonable care has been exercised in their appointment and retention. The OWNER assumes the obligation of any contract so entered into, at the termination of this agreement.
- e) To deliver by email the year-end reports and 1099 forms.

**INSURANCE:** The OWNER will carry at their own expense, a standard rental insurance policy that includes public liability coverage to protect the interest of the parties hereto, which policy shall be so written as to protect the OWNER, and will name the AGENT as additionally insured. The OWNER will furnish a certificate of insurance within fifteen (15) days from date of this agreement.

**INDEMNIFICATION - HOLD HARMLESS:** OWNER will indemnify and hold harmless AGENT from against liability for an action taken at the express or implied direction of OWNER, except to the proven misconduct or gross negligence of AGENT. This provision will survive the termination of this agreement.

**BUILDING CODE COMPLIANCE:** The AGENT does not assume and is given no responsibility for compliance of any building on the premises or any equipment herein with requirements of any statute, ordinance, law or regulation of any governmental body of any public authority or official thereof having jurisdiction, except to notify the OWNER promptly of any complaints, warning notices or summons received by it relating to such matters. OWNER represents that to the best of their knowledge the premises and such equipment comply with all such requirements and authorize AGENT to disclose ownership of the premises to any such officials.

**EMPLOYMENT TERMINATION:** This agreement may be terminated by either party or parties with 30 days written notice to the other party or parties. It may NOT be transferred or assigned to another agent or entity without prior written consent of the owner.

Upon termination of the property management agreement, the AGENT shall provide the OWNER with a final accounting of the property's financial status that includes at a minimum:

1. Within five days, a list of all tenant security obligations.
2. Within thirty-five days, reimbursement for all monies remaining in the property accounts maintained by the property management firm, except for monies needed for unpaid obligations incurred during the term of the property management agreement.
3. Within seventy-five days, a final accounts receivable and payable list.
4. Within seventy-five days, a final account journal reconciliation.

Should this agreement be terminated by OWNER prior to its expiration, all fees for the balance of ny existing tenancy shall be due and paid immediately to AGENT. Tenant security deposits held by AGENT shall be given to OWNER in the form of a check made payable to both Owner and Tenant.

**FEES:** AGENT shall receive:

- a) \_\_\_\_\_% of the annual gross rent. This fee is considered earned upon the signing of any rental agreement or lease. However, AGENT agrees to deduct the fee from monthly rent receipts as long as this agreement and the lease is in effect.
- b) **Leasing/Marketing Fee** of \_\_\_\_\_
- c) **Annual Administrative Fee** of \$200.00 for each year this agreement is in effect and is pro-rated to its October due date. The administrative fee covers such items as phone calls, fax, copies, postage, overnight mail, etc.
- d) **Initial Set up Fee** of \$ \_\_\_\_\_
- e) **Lease Renewal Fee** of \$ \_\_\_\_\_
- f) **Tenant Fees** such as application processing, documentation, cancellation, bank charges, late and other such fees that may be charged to Tenants. These fees may appear as both income and expenses on OWNERS accounting ledger.
- g) **Sales Commission of 3%** of the gross sale price, payable at the close of escrow, in the event a sale to Tenant shall take place. AGENT shall be considered a DUAL AGENT of the Owner and Tenant.

**OTHER FEES as maybe negotiated for coordination of insurance claims, remodeling, or replacements.**

This agreement shall be binding on the successors, heirs, administrators or executors of the OWNER.

Date \_\_\_\_\_ OWNER \_\_\_\_\_

Date \_\_\_\_\_ OWNER \_\_\_\_\_

Date \_\_\_\_\_ AGENT \_\_\_\_\_  
THE NORDSTROM GROUP, INC.

Date \_\_\_\_\_ BROKER \_\_\_\_\_  
THE NORDSTROM GROUP, INC.

BROKERS INITIALS \_\_\_\_\_ DATE \_\_\_\_\_