



A P E X
PROPERTY MANAGEMENT LLC

Exclusive Right of Rental Management Agency Agreement
FULL SERVICE

THIS AGREEMENT dated the ____ day of _____, _____ is between _____ (Owner) and Apex Property Management, LLC (Agent).

WHEREAS, Owner is the owner of _____, situated in _____, Colorado:

And **WHEREAS**, Agent is in rental management business and is desirous of providing rental services for the owner.

IT IS THEREFORE AGREED follows:

1. Employment of Agent: Owner hereby employs Agent as Owner's exclusive agent for purposes of leasing or renting _____.

2. Terms and Termination:

- (a) The exclusive appointment contained in this Agreement shall remain in effect from the date of this Agreement unless terminated as provided in sub (b) herein below.
- (b) Either party may terminate this agreement at any time during the term of this agreement by giving written notice to the other party at least sixty days prior to the date of termination; except as otherwise provided in this Agreement. Termination shall not relieve Owner from any liability for payment of compensation to Agent, including commissions for any tenancies occurring within the term of agreement as provided in sub (a) hereinabove after termination if such tenancies arise from negotiations between Agent and the tenant which took place prior to the date of termination and whose name was disclosed to Owner from Agent in writing on termination.

3. Duties of Agent: Agent, either directly or through its subagents or employees, shall have the following duties:

- (a) To use reasonable efforts to rent the Unit to desirable tenants, including advertising at its own expense to the extent and in such manner as it may deem reasonable in relationship to the availability of the unit for rent;
- (b) To collect advance deposits and current rent and other receipts relating to the Unit: provided, however, Agent may commingle such funds with funds held similarly for other owners and, provided further, Agent shall not be deemed to have guaranteed the payment of any rent by tenant;

- (c) To maintain books of account showing all receipts and disbursements in connection with the Unit, and such books of account shall be open to inspection by the Owner or by any dully authorized representative of owner during normal business hours;
- (d) To use its best efforts to maintain a rotating system for the Unit so as to allocate rentals on a fair and equitable basis between Owner's rental unit and other rental units under management by Agent; provided, however, Owner acknowledges that actual occupancy may vary due to customer preference, frequency of use of Owner or Owners guest(s), sleeping arrangements, availability of the Unit during periods of repair and maintenance, and by any restrictions or rules imposed by Owner as set forth in this Agreement.
- (e) To coordinate the renting of the Unit with the Owners personal use of the unit;
- (f) To cause all sums received from rental deposits and other income from the Unit to be deposited from time to time as collected by the Agent in a special escrow bank account maintained by the Agent; and
- (g) To furnish monthly statements to the owners by regular mail otherwise, of all receipts and disbursements on account of the Unit for the month prior, together with the amount due to Owner, no later than the twentieth day of the month in which such receipts or disbursements are accounted for. Agent may use an interest-bearing account as allowed under the rules and regulations of the State of Colorado Real Estate Commission, and be entitled to retain the interest generated from maintaining such account. Agent may withdraw from such bank account all disbursements which, under this agreement, are to be made at the expense of the Owner, including the compensation of the Agent as set forth.

4. Authority of Agent: During the term of this agreement, Agent is authorized as follows:

- (a) To exclude, renew and cancel leases or rental agreements for this Unit, to terminate tenancies and, in such event, to execute and deliver such notices in the name of the Owner as are appropriate, to institute and prosecute actions to evict tenants or otherwise recover possession of the Unit, and when deemed appropriate by the agent, to settle, compromise and release such actions or suits or reinstate any such tenancy;
- (b) To establish all terms and conditions, including the amount of rent, including discounting rents in order to secure short-term rentals up to 20% per night without requiring express permission of owner, for the tenancy of the Unit and such rate(s) shall be competitive with similar rental rates in the Summit County, Colorado area;
- (c) To incur on behalf of and at the expenses of the Owner and pay any expenses in connection with the unit relating to the maintenance and repair of the Unit which are not obligations of the Homeowners Association, applicable declaration, articles of incorporation, or bylaws;
- (d) To terminate this agreement at any time providing the Unit is not kept in specifications required by the rental agent
- (e) To use without consideration being paid to Owner up to maximum of (14) fourteen nights per year promotional use for benefit of the rental program, excluding Holiday Season at no cost to owner.
- (f) To purchase such items of furniture and kitchenware necessary for the comfortable occupancy of the Unit; provided, however, Agent may not purchase such items and charge the account of the Owner without notice to Owner where any such expenditure exceeds \$100.00;
- (g) To contact owner to see if owner intends to take care of Spring Cleaning prior to making the necessary arrangements to provide for Spring Cleaning, to insure the Unit will remain competitive in the rental operation, and the charges for such cleaning shall be deducted from the Owner's account and shown on the monthly statement;
- (h) To perform any other act which Agent deems necessary or desirable in order to carry out Agent's duties as set forth in Section 3 above.

5. Payments: All payments made by Agent in the discharge of his duties shall be made out of funds Agent may hold from time to time on behalf of Owner which may be provided by Owner. Agent shall have no obligation to make any payment except out of such funds. If Agent elects to advance funds for Owner's account, Owner shall promptly reimburse Agent for the advance.
OWNER IS REQUIRED TO ESTABLISH A BALANCE OF \$200.00 MINIMUM ESCROW

BALANCE UPON SIGNING DATE OF THIS CONTRACT TO COVER INCIDENTAL EXPENSES.

6. Duties of Owner: Owner undertakes to perform the following duties on a timely basis:

- (a) To pay on a timely basis all condominium association fees and dues;
- (b) To keep the unit furnished with such items of furniture and kitchenware as are reasonably necessary for the comfortable occupancy of the unit, including an operational telephone with restricted (local access only) use;
- (c) If the monthly statement rendered by Agent shows net loss, to promptly reimburse Agent for the amount due;
- (d) To defend, indemnify and hold Agent harmless from any costs, damages, expenses, liability or claim of liability for (i) bodily injury, property damage, or other damages asserted by any tenant, invitee or other person allegedly caused by any condition of the unit, its contents or the property on which it is located, and (ii) loss or damage to the Unit or its contents, unless either (i) or (ii) was the result of gross negligence or willful misconduct of Agent or his employees or subagents.
- (e) To notify Agent in writing by June 10th of each year the dates that Owner and/or Owner's guests will use the Unit and will reimburse Agent for cleaning and linen charges necessitated by this use in order to return the Unit to the Agent's standard or rentable condition. The cleaning fee for the Unit will be \$_____ per clean. If Owner desires to use the Unit at other times, Owner agrees to give reasonable notice and not use Unit if reserved. Confirmation of owner or Owner's guests use will be sent by mail on standard confirmation forms used in normal rental operations. All owners and owner's guests must respect the 4:00 pm check-in time and 10 am check-out time regulations, unless arranged otherwise by agent.
- (f) To have an annual cleaning, including carpet, drapes and furniture, if needed, performed before November 1st unless otherwise approved by Owner. The Unit will be inspected by Agent's house keeping staff after the major clean, if there is any additional cleaning to be done after such inspection, Owner will be contacted. If Agent's house keeping staff performs the annual cleaning, the charge will be based on a reasonable hourly rate and there will be no inspection charge. An inspection will also be made after each departure of an Owner that requested no housekeeping services. If cleaning of the unit is required after such departure, prior to rental occupancy, the Owner will be charged a reasonable hourly rate for cleaning.
- (g) To notify Agent in writing or via email of any change of Owner address and telephone number within 30 days of such change.
- (h) To obtain and maintain an adequate fire and extended coverage hazard insurance of the Unit.. A liability insurance policy covering personal injury with minimum limits of \$100,000 and \$300,000 per occurrence and property damage of \$25,000 and to cause Agent be named as an additional insured on the policy. Owner shall provide a Certificate evidencing such insurance upon Agent's request.;

7. Compensation of Agent: Owner agrees to pay Agent a commission equal to 35 % of the gross rentals and other income from rent or lease of the Unit. Agent shall pay all travel agency commissions, credit card fees, booking agency fees due in connection with the rental of the Unit. Occupying party shall be responsible for cleaning and linen fees of the unit. Agent's commission on fortified deposits shall be 100% of the first \$300 fortified and 35 % of all monies thereafter for each canceled reservation. If owner elects to rent Unit on a long term basis (one month or more, no cleaning or linen service,) the Agents Commission shall be 15 %. Compensation to the Agent shall be paid at the end of each calendar month, and Agent may deduct his compensation when due from the funds held by Agent from Owner's account, without regard to any other payments on behalf of Owner which Agent is required to make.

8. Agency Disclosure and Managing Agent's Services: According to the State of Colorado Real Estate Statute 12-61-808 the following disclosure is required: Apex Property Management, LLC and its employees and agents as managing agent for Owner, are working for Owner as exclusive

agent regarding the rental of Owner's unit. The managing agent is limited agent for the Owner and will represent only the Owner.

- (a) The managing agent will promote the interest of the owner with the utmost good faith, loyalty and fidelity, including but not limited to:
 - i. Seeking a rental rate and terms which are acceptable to the owner; except that the managing agent shall not be obligated to seek additional offers to rent the property while the property is subject to an existing lease agreement;
 - ii. Presenting all offers to and from the owner in a timely manner regardless of whether the property is subject to lease
 - iii. Disclosing to the owner adverse material facts actually known by the managing agent.
 - iv. Consoling the owner as to any material benefits or risks of a transaction actually known by the managing agent;
 - v. Advising the owner to obtain expert advise as to material matters about which the managing agent knows but the specifics of which are beyond the expertise of the managing agent
 - vi. Accounting in a timely manner for all money and property received; and
 - vii. Informing the owner that the owner may be vicariously liable for any acts of the managing agent when the managing agent is acting within the scope of the agency relationship.

- (b) The managing agent shall not disclose the following information without the informed consent of the owner:
 - 1. That the owner is willing to accept less than the rental rate for the property;
 - 2. What the motivating factors are for the owner to rent the property;
 - 3. Any material information about the owner unless such disclosure is required by law or the failure to disclose such information constitutes fraud or dishonest dealings; or
 - 4. Any facts or suspicions regarding circumstances which may psychologically impact or stigmatize any real property pursuant to Colorado law.

- (c) The managing agent shall disclose to any prospective tenant all adverse material facts actually known by managing agent, including but not limited to, adverse material facts pertaining to the physical condition of the property, any material defects in the property and any environmental hazards affecting the property, which are required by law to be disclosed.

10. Minor Repairs and Maintenance: Owner shall act in contracting for repair and maintenance services. Any services performed by Agent shall be charged to Owner at the rate of \$55, \$85, or \$105 (depending on date and time) per hour billed in 15 minute increments: \$55/hr 8am-5pm Mon-Fri, \$85/hr any other time, and \$105/hr on Holidays (being January 1, after 5:00 pm the day before Easter, Easter Day, after 5:00 pm the day before Memorial Day, Memorial Day, July 3 after 5:00 pm, July 4, the day before Labor Day after 5:00 pm, Labor Day, the day before Thanksgiving after 5:00 pm, Thanksgiving Day, December 24 after 5:00 pm, Christmas Day, December 31 after 5:00 pm). Other repairs will be contracted from qualified local tradesmen and will be charged to Owner's account. Purchases of goods for property over \$200 conducted by Agent will be billed at 10% surcharge to Owner including Agent's hourly rates for purchasing. Agent's management of services from contractors will be billed to Owner at expense of the service plus an additional 15% management fee including Agent's hourly rates for management of the service. Agent shall obtain competitive bids whenever possible. Agent shall be the sole judge as to whether it possesses the requisite skills to perform maintenance or repairs at any given time. In the event Agent can conclusively prove that tenants have caused damages or removed items from Owner's Unit, Agent shall attempt to collect sufficient funds from tenants to cover the costs of repairs or replacement.

In no way is this construed that damage of the Unit or missing items are the indebtedness of the Agent. Agent shall consult with Owner before directing any repairs costing in excess of \$ _____ dollars, provided, however, that Agent shall be authorized hereby to arrange for or conduct emergency repairs of any dollar amount to prevent damages of Owner's property.

11. Payment of Bills:

If Owner wants Apex Property Management to pay all bills associated with the owners property listed above. Owner agrees that said bills will be paid and a surcharge of \$75.00 will be added to their monthly bill for collection and payment of said bills. The owners reserve in this case is shall be equal to one months average billing for said items, Homeowners Association dues, gas and electric bills, phones, and the like. Apex Property Management is not responsible for late fees or delinquent charges charged by said companies and owner shall be responsible to direct said billing to Apex Property Management. All actual cost shall be billed back to the owner on the monthly statements.

12. Sale of Premises: Owner or subsequent purchaser shall have the right to terminate this Agreement upon sale or disposition of the Unit or premises by giving written notice of termination within thirty (30) days following the date of the closing of such sale or disposition; provided, however, the sale or disposition of the Unit shall in all events be subject to any firm reservations made in the Unit prior to the date of the receipt of the notice of termination, and any monetary loss suffered by Agent by reason of Owner's failure or neglect to cause the new purchaser to be bound by this Agreement shall be borne by the Owner. Agent shall endeavor to substitute rentals reserved after sale at the request of the new Owner but shall be under no obligation to do so. Owner also acknowledges the need of Agent to protect the privacy of guests. If the Unit is being rented at the time a potential buyer wishes to view the Unit, the Agent shall communicate with the guest for permission to show the Unit at a time specified by the guest. Agent shall release accounting information pertaining to the Unit to real estate agents only if prior authorization has been received from the Owner.

12. Miscellaneous:

- (a) Nothing herein contained constitutes a guarantee by the Agent of the payment of rent by tenants, and the Agent shall not be liable for short checks, bad debits, or the enforcement or collection of rentals due from tenants, but the Agent will, if directed by the Owner, use its best efforts to collect any sums due, and if specifically directed by the Owner, will bring such actions as may be reasonably necessary for the collection of the same at Owner's expense.
- (b) Nothing herein contained constitutes a guarantee by the Agent of the performance by tenants of any rental contract entered into by Agent hereunder with a tenant. The Owner will neither hold nor attempt to hold Agent liable for any default by a tenant in the terms of the rental agreement.

13. Notices: Any notices under this Agreement shall be in writing and shall be deemed given when delivered personally or when deposited in the United States Mail with postage prepaid and addressed as follows:

If to the Owner: _____

If to the Agent: Apex Property Management, LLC OR bgellwood@staywithapex.com

PO BOX 3621

mlrobb@staywithapex.com

Dillon, Colorado 80435

Or to any other address as may be established from time to time by written notice.

14. Assignment: Neither party may assign this Agreement without the prior written approval of the other party.

15. Binding Effect: This Agreement shall be binding upon and inure to the benefit of the respective parties and their heirs, successors, and assigns. This Agreement may be executed in two (2) or more counterparts.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first written above.

AGENT: _____ **DATE:** _____

OWNER: _____ **DATE:** _____

By: _____
