

# 1. Property Management Contract

## 1.1 AGREEMENT BETWEEN LANDLORD AND BROADMOOR BLUFFS REALTY

This agreement between the Landlord, <<Owner Name(s)>> and the Property Manager, Broadmoor Bluffs Realty, establishes the services rendered and fees negotiated between the Landlord and Property Manager for management of the Landlord's residential property located at <<Property Address>> beginning <<Management Start Date>>. This is the date property management services begin and fee begins.

1. All fees and terms will be reviewed on the anniversary of this agreement and are subject to change as agreed upon by the Landlord and Property Manager.
2. Minimum management agreement term is 12 months and renews automatically with each lease renewal. A 30-day "Notice to Terminate" by either party will cancel this agreement at the end of the 12 month period.
3. For a fixed sum of 10%, (but not less than \$100 per month) and a leasing fee of \$350, Property Manager agrees to provide management services to the Landlord due the 1st of each month.
4. Property Management Services include:
  - a. Advertising the property on Zillow.com, Appfolio, and BroadmoorBluffsRealty.com until rented. Place rental sign and lockbox on property as needed. Show property to prospective Tenants as required.
  - b. Review credit, review background check, and check references of prospective Tenants.
  - c. Initial walkthrough and documentation of home condition.
  - d. Lease preparation and signature of Tenant and Property Manager.
  - e. Ensure property and grounds are maintained by Tenants per the lease terms. Quarterly drive-by and semi-annual property walk-through.
  - f. Hire all labor required for the operation and maintenance of the property. Includes issues regarding furnace, hot water heater, air conditioner, appliances, roofing, electrical, mechanical and plumbing systems, sprinkler system, and any other property repairs.
  - g. Subcontracted maintenance will be billed at actual cost only, with no handling fee or surcharge.
  - h. Ensure repairs are accomplished in timely and professional manner. Habitability issues such as heat, water, electrical issues will be addressed IAW HB19-1170. Non-emergency issues will be addressed on the following business day.
  - i. Collect rent from Tenant. Transfer funds electronically to Landlord NLT the 15th of each month.
  - j. Deliver monthly income/expense ledger to Landlord via Appfolio portal NLT the 15th of each month.
  - k. Final walkthrough at lease expiration, annotating any damages and estimates to repair.
  - l. Ensure utilities are put into Tenants name at lease conception, and returned to Landlord's name at lease termination (where allowed).
  - m. Advise Landlord of issues regarding repayment of Tenant's security deposits.
  - n. Annually advise Landlord of comparable sale prices (comparative market analysis) for similar properties in the area, if requested.
  - o. Provide Landlord with information on issues affecting the Colorado Springs housing market.
  - p. Prepare/deliver annual account activity statements by Jan 30th yearly.
  - q. Landlord consents to electronic copy of IRS MISC-1099 form by Jan 30th yearly by selecting this option in the Appfolio Landlord portal. If not selected, a \$10 fee will be assessed for printing and mailing a hardcopy MISC-1099 each year.
  - r. Assist Landlord with any possible eviction actions.
  - s. Provide all required documentation to collections agency to recover lost rent, damages from Tenants.

**Potential fees (to be paid by Landlord):**

- t. Leasing fee of \$350 when current tenant moves out. Lease renewal fee of \$100 when tenant remains. Leasing fee of \$350 will also be assessed when BBR has begun efforts to prepare or market the property for rent, and the Landlord later decides to sell the property or otherwise cease marketing for rent before a lease is secured.
- u. Cooperative fee to Tenant's realtor IAW Colorado Right to Lease Contract.
- v. Maintenance rate of \$50/hr for all maintenance provided by BBR.
- w. Trip fee of \$25 after 2 trips per month for meeting with contractors, inspectors, insurance adjustors, etc.
- x. If HOA Rules & Regulations are not provided by Landlord, BBR will charge \$25 to locate & reproduce a copy for the Tenant IAW lease plus any additional fees incurred from source of the documents.
- y. For all eviction/court cases, \$50/hr for preparation time, filing time, court appearance time, follow-up on court's decision, and preparation time for collections.
- z. Replace batteries in all smoke detectors and CO detectors as required.

5. **TENANT FINDERS FEE:** If Landlord does not want to pay the property management fee while the property is vacant, Landlord may elect to pay a tenant finders fee equal to 50% of one month's rent, recurring at each tenant turnover. If elected, monthly property management fees will begin on the day the property is rented. Initial here to elect the 50% finders fee option        Owners initials       .

- 6. Once occupied, the property management fee will be deducted from collected rents prior to sending the rent to the Landlord. All Tenant paid fees are earned and retained by BBR.
- 7. Execute lease for \$<Rent amount> per month or market value for a term of 12 months.
- 8. Property available for lease starting <Property Available date> (subject to change).
- 9. If tenant requests information from Broadmoor Bluffs Realty about purchasing a home, Landlord permits Broadmoor Bluffs Realty to sign Buyer Agency agreement with Tenant.
- 10. If tenant asks about purchasing your home, we are in a great position to work as a transaction broker for both parties since we are most familiar with your home. Please consider us if selling to your current tenant or deciding to put your home on the market.
- 11. If Landlord notifies Property Manager of intent to sell, Property Management duties and fees will end at an agreed to date. The property can be sold as an investment property with tenant in-tact, or Landlord can incentivize tenants to vacate early and lease payments end early. Otherwise, property can be sold at end of lease term. If tenant is breaking the lease, and Landlord decides to sell the property then, the lease ends when Property Manager is notified of intent to sell.
- 12. Broadmoor Bluffs Realty will deposit and hold tenant's security deposit and rents paid into our corresponding Trust Accounts. Broadmoor Bluffs Realty reserves the right to retain any interest earned on these accounts.

**Special requirements:**

- 1. Landlord will name Broadmoor Bluffs Realty as an Additional Insured on the Landlord's homeowners insurance policy and provide a copy of said policy to Property Manager. We recommend an HO-6 policy for condos and townhomes, in addition to insurance provided by your HOA.
- 2. Landlord will change their status with the utility company from owner to Landlord and establish a Landlord Revert, automatically placing utilities back in owner's name at end of lease. Also add Broadmoor Bluffs Realty to the account (when possible) for 3rd party notification.
- 3. Landlord will notify Broadmoor Bluffs Realty if subject property is in preforeclosure.
- 4. Landlord will notify Broadmoor Bluffs Realty, utility companies, and HOA of changes in email, address, and phone numbers.
- 5. IAW CO Statute 38-12-219, Landlord MUST provide tenants "quiet enjoyment," meaning acceptable notice must be given prior to entering the premises. Our lease states 24 hours.
- 6. Broadmoor Bluffs Realty recommends all window wells be covered with safety grates.

**Other items of Mutual Agreement**

- A. Landlord currently has Colorado required carbon monoxide detectors within 15 ft of every bedroom door.
- B. Landlord will repair or replace kitchen, heating/cooling, or other appliances currently in the property and provided to tenants as detailed in Colorado statutes HB19-1170 and SB24-094 .

- C. Landlord authorizes Property Manager to have the furnace, A/C, humidifier, and wood burning fireplace chimney (if in service) each inspected and serviced once per year at Landlord's expense.
- D. Landlord authorizes Property Manager to change locks and reprogram garage remote controls between tenants (Landlord expense unless Tenant did not return keys).
- E. Landlord will repair or replace washer/dryer owned by Landlord and supplied for tenant use.
- F. Landlord authorizes heat, water, or electric to be repaired within 12 hours when conditions warrant, even if the home warranty cannot accomplish this.
- G. Landlord authorizes Property Manager to interface with utility company on behalf of Landlord to start, stop, inquire about utilities at this property.
- H. Notices between the parties must be in writing and are effective when sent to the receiving party's address, or e-mail address. All terms and conditions of this agreement are subject to change by Broadmoor Bluffs Realty with a 30-day notice to Owner.
- I. Broadmoor Bluffs Realty may assign its rights and delegate its duties under this agreement without Owner's consent, provided that the assignee agrees to assume and perform each and every covenant and term of this agreement applicable to Broker.

This management agreement is not a Colorado Real Estate Commission approved form. This was prepared by Kenneth E. Davidson, attorney for Broadmoor Bluffs Realty.

Attachments:

Colorado Contract - Brokerage Duties Addendum to Property Management Agreement

IRS Form W-9

Rental Property Information Form

By initialing below, you acknowledge and agree to the terms in Section 1.

X\_\_\_\_\_

Initial Here

## 2. Sign and Accept

### 2.1 SIGNATURES

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This agreement shall be binding upon the successors and assigns of the Property Manager and the heirs, administrators, executors, successors, and assigns of the Landlord. IN WITNESS WHEREOF the parties hereto have affixed or caused to affix their respective signatures on this date.

Please sign below:

X

\_\_\_\_\_  
Owner

\_\_\_\_\_  
Date Signed

X

\_\_\_\_\_  
Agent/Broker

\_\_\_\_\_  
Date Signed