

CREATIVE REAL ESTATE ASSOCIATES

6550 S. Pecos Rd., Bldg B Ste 105, Las Vegas, NV, 89120-2828

Agency Agreement to Manage Residential Real Estate

IN CONSIDERATION OF THE COVENANTS CONTAINED HEREIN, I/WE

hereinafter known as "OWNER(S)", and CREATIVE REAL ESTATE ASSOCIATES (hereinafter known as "MANAGER"), AGREE AS FOLLOWS:

The OWNER hereby employs the MANAGER exclusively to rent and manage the property known as: Parcel# _____, Address: _____, City: _____, Nevada, Zip+4: _____ - _____ upon the terms and conditions hereinafter set forth, for a period of ONE (1) YEAR, unless otherwise agreed to in writing in this document, beginning on the _____ day of _____, 20____, and will automatically renew on the anniversary date, unless otherwise agreed to in writing. After the first anniversary this Agreement may be terminated on a certain date by either OWNER or MANAGER giving to the other at least 30 days written notice specifying such date. However, the termination of this Agreement shall not affect the right of the MANAGER to receive leasing commissions or fees earned and accrued up to the date specified in such notice which may not have been paid. Upon receipt of proper notice, in accordance with this Agreement, the final disbursement of all commissions and fees will occur on or before the date of transfer of management.

Section 1

Powers and Duties of the Manager

1-1. MANAGER will list the PROPERTY in the Multiple Listing Service and execute leases covering the PROPERTY, or any part thereof, upon such terms and conditions as stated therein. MANAGER will provide to the OWNER a blank lease form to serve as disclosure of terms and conditions of such lease. MANAGER shall not enter into a lease for a period longer than ONE (1) YEAR from the beginning date of such lease without the OWNER'S written consent.

1-2. MANAGER will collect the rents and revenues from the PROPERTY. MANAGER will also conduct tenant move-in and move-out walk-through inspections.

1-3. MANAGER will keep the PROPERTY in a reasonable state of repair and expend such part of the rents and revenues which MANAGER collects from the PROPERTY as may be necessary in so doing, exercising reasonable judgment and care, and exercising diligence in keeping OWNER informed of such expenditures. OWNER will be provided with a written accounting of all expenditures.

1-4. Emergency repairs may involve costs which are significantly higher than day-to-day costs, but must be carried out in a timely manner. While MANAGER will always make an effort to notify OWNER of anticipated expenses, in emergencies MANAGER must carry out repairs with or without OWNER approval. Emergencies include, but are not limited to, water supply, hot water heater, summer cooling, winter heating, exposed wiring, and hazardous conditions.

1-5. MANAGER will employ PROPERTY MANAGERS who are LICENSED, with a PROPERTY MANAGER PERMIT, by the STATE OF NEVADA as agents in connection with the handling and control of the PROPERTY.

1-6. MANAGER will employ insured and independent licensed contractors and workmen as MANAGER may deem necessary in connection with the maintenance and upkeep of THE PROPERTY, with the OWNERS consent. Absent such consent OWNER assumes full and complete responsibility for the upkeep of the PROPERTY.

1-7. MANAGER shall keep proper books of accounts of this agency, which said books shall be open to inspection by OWNER during the regular business hours of the MANAGER. MANAGER need not maintain segmented bank accounts

relating to the PROPERTY, but the books shall reflect at all times the rents and revenues received and the disbursements made as to the PROPERTY. Accounts shall be kept in compliance with all applicable state laws. At such periodic intervals as the OWNER shall request, but not more frequently than monthly, MANAGER shall furnish to the OWNER a statement showing the rents and revenues received, the disbursements made and all other transactions with respect to the PROPERTY for the period indicated by OWNER.

1-8. MANAGER may continue to hold the PROPERTY to be handled, managed, and controlled in accordance with the terms and conditions of this AGREEMENT without liability or depreciation or loss; the liability of MANAGER shall be limited to reasonable care and diligence in exercising the powers and authorities herein granted.

1-9. MANAGER is not authorized by this AGREEMENT either to make any capital improvements to the PROPERTY or to sell any of the real estate constituting a part of the PROPERTY. MANAGER is not authorized to create any mortgages, liens or encumbrances against any of the real estate constituting a part of the PROPERTY, until and unless first instructed in writing by the OWNER to do so. **OWNER does allow the MANAGER to communicate directly with any Home Owner Association (HOA) associated with the PROPERTY and OWNER shall provide the MANAGER all HOA contact information.**

Section 2

Duties and Responsibilities of the Owner

2-1. OWNER will keep the PROPERTY insured against hazards normally covered by fire and extended-coverage insurance policies, rental income insurance, and public liability insurance policies in such amounts as may be adequate to protect the interest of the OWNER. OWNER will provide MANAGER with copy of the Declarations page of OWNER'S landlord policy and provide the name of the carrier, the agent and the contact number(s).

2-2. OWNER will pay *ad valorem* taxes and improvement assessments against the PROPERTY before such assessments become delinquent, as well as all other expenses of the PROPERTY. MANAGER **shall not** be responsible for payment of Home Owner Association dues fines or assessments associated with the PROPERTY levied by the Home Owner Association.

2-3. OWNER agrees that the MANAGER shall be under no duty to undertake any action, other than as herein specified, with respect to handling, managing and controlling of the PROPERTY, unless and until specifically agreed to in writing by the MANAGER.

2-4. OWNER promises and agrees to indemnify MANAGER and hold MANAGER harmless from and against any and all losses and liabilities incurred by OWNER as a result of any action in good faith taken or not taken by MANAGER pursuant to the terms and conditions of this AGREEMENT.

2-5. OWNER will not hold MANAGER liable for dead lawns or other landscaping elements due to tenant neglect.

2-6. OWNER will not hold MANAGER liable for any personal property OWNER leaves on the PROPERTY.

2-7. This AGREEMENT may be altered, amended, or modified at any time by written mutual agreement signed by OWNER and MANAGER.

2-8. For services hereunder, MANAGER shall be entitled to receive and retain such compensation as is fair, reasonable and customary at the time such services are performed. OWNER and MANAGER, however, may from time to time mutually agree *in writing* as to the amount of compensation that MANAGER may receive for services hereunder. OWNER agrees to pay to MANAGER upon demand any fee for services rendered by MANAGER and/or out-of-pocket expenses incurred by the MANAGER in the handling, managing, and controlling of THE PROPERTY, where the MANAGER does not have available funds from the rents and revenues from which to be reimbursed. With the exception that MANAGER be compensated by management fees collected during normal monthly management.

Section 3

Fees and Commissions

3-1. Any fees charged to a TENANT, such as legal postings, HOA violations, late rent fees, nuisance notices or evictions are the responsibility of the TENANT. In the event that an eviction is carried out, these fees will be taken from the Security Deposit as payment, before assessment for renovation and distribution of remainder of Security Deposit as unpaid rent. Fees to be charged to TENANT include, but are not limited to, late rent, \$100 (\$50 to be deposited in OWNER'S account), and legal postings (Nuisance \$50, Five Day Pay or Quit \$50, Eviction \$300).

3-2. A LEASING COMMISSION payable to LEASING AGENT of at least \$300 *per occurrence* is recommended and will be deducted from first months rent. While this amount is negotiable between OWNER and MANAGER, the amount agreed upon and stated in the Multiple Listing Service must be paid.

Section 4

Manager Compensation

4-1. Initial set-up fee, \$250 per PROPERTY. Once rented, we will charge and deduct from rents collected each month a Management Fee of 10%.

4-2. In addition to our one time set-up fee and recurring monthly charges, OWNER agrees to the following charges per occurrence:

4-2-1. For any inspection requested by OWNER, other than scheduled six month inspection and eleventh month lease renewal inspection, \$50, billed.

4-2-2. Time charge for Court appearances other than evictions, for excessive or unusual time spent at the PROPERTY by a MANAGER, and for OWNER elected special services, \$50 per hour, billed.

4-2-3. Move out transition, \$150, taken from the last months rent. In the event of a skip or eviction, this amount will be billed.

4-2-4. Obtaining the services of contractors for work to be done other than routine repairs and maintenance during the term of the lease, \$50 per occurrence, billed.

Section 5

Agreement and Acceptance

5-1. This AGREEMENT shall be binding upon, and shall inure to the benefit of OWNER and MANAGER and their respective heirs, executors, administrators, successors and assigns.

5-2. All notices authorized or required between the parties or by any provisions of this AGREEMENT, or by law, shall be in writing and must be received by the parties or delivered by receipted means to the notification address of the receiving part, as set forth below, or to such other address as the parties may direct by notice given as herein provided. The effective date of any notice given hereunder shall be the date on which such notice is received or delivered as set forth above.

5-3. This AGREEMENT is ACCEPTED and agreed to jointly and severally. The undersigned have read this AGREEMENT and understand and agree to all provisions thereof. Entered into this day, _____,

the _____ day of _____, in the year 20_____, by:

Name: _____ Signature: _____, OWNER

Social Security #: _____ - _____ - _____, Tax ID #: _____

Name: _____ Signature: _____, OWNER

Social Security #: _____ - _____ - _____, Tax ID #: _____,

AND on behalf of CREATIVE REAL ESTATE ASSOCIATES, MANAGER, by:

Name: _____ Signature: _____,

Authorized PROPERTY MANAGER, dated: (mm) _____ (dd) _____ (yyyy)20_____.

BROKER and PROPERTY MANAGER of record: Anthony E. Weldon.

Note: In order to provide you with an accurate IRS Form 1099 at year end we will require either a Social Security number or a Taxpayer Identification number, not both. The number you provide us with here is the one we will use for you.