



www.BoisePM.com
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Property Management Features

Management Plan:	SILVER PLAN	GOLD PLAN	PLATINUM PLAN
For Home Priced:	Up to \$1,500 Per Month	\$1,501 - \$2000 Per Month	\$2000+ Per Month
Management Fee	\$95 Per Month	\$145 Per Month	\$195 Per Month
Leasing Commission	\$250	\$250	\$250
Assurance Package	\$25/Month	\$25/Month	\$25/Month
Renewal Commission	\$100	\$100	\$100
Annual Inspection	\$95	\$95	\$95

Included With All Management Plans

Double Security Deposit Guarantee	21 Day Rental Guarantee*
Maintenance Coordination	Leasing Guarantee
Tenant Application & Screening	Pet Guarantee
Online Rent Collection	Matterport 3D Tour
Monthly Financial Reporting	Month to Month Management Agreement
ACH Owner Payments	A Partner With Your Best Interests In Mind!

Owner Initials: _____ Next Step Realty Mgmt.: _____



MANAGEMENT FEE BREAKDOWN SHEET

This form will summarize and present all pertinent fees to this agreement that may be levied in providing management services for the property listed. It is our intent to be fully transparent and clarify all charges up front prior to you moving forward in completing this agreement. The summarized charges are listed below with references to the section in our management agreement. We want you to fully understand what we charge, why we charge it, and what your money is going to be applied towards for services.

Monthly Management Fee - \$95, \$145 or \$195 Per Month based on rent amount: *Reference Section 21*
Pays for the day-to-day cost of managing your home.

Leasing Fee- \$250 Per New Executed Lease: *Reference Section 21*
Charged for Photos, Video, Marketing, Scheduling Showings, Servicing Showings, Over Seeing Move-in Process, Handling Applications, Screening Applicants, and includes Matterport 3D Tour.

Renewal Commission- \$100: *Reference Section 21*
This fee is only charged when a tenant agrees to renew their lease agreement for a minimum of 6 months or longer.

Annual Inspection- \$95: *Reference Section 26*
This fee is only charged when an inspection is completed with photos. You'll receive a copy of the inspection report.

Assurance Package- \$25 Per Month per Door: *Reference Section 30*
Pays for Damage Assurance, Eviction Assurance, Pet Assurance, and Rent Assurance. Covers tenant turnover (move-out) damages up to \$7,500.

Next Step Realty Management

Owner Initials: _____ Next Step Realty Mgmt.: _____

Address of Home to Be Managed: _____



PROPERTY MANAGEMENT AGREEMENT

1. OWNER

Owner Name: _____

Address: _____

City, State, Zip: _____

Best Phone: _____ Alt Phone: _____

Email: _____

2. PROPERTY TO BE MANAGED – SEE ADDENDUM 1 FOR ADDITIONAL PROPERTIES

Address: _____

City, State, Zip: _____

Non-Real Property: _____

*Non-Real Property to include Refrigerators, Washer, Dryer, Etc....

3. TERM

- A. **Commencement Date:** Upon Completion of this Agreement by all parties.
- B. **Initial Term:** 30 Day - Month to Month Management Agreement.
- C. **Automatic Renewal:** This agreement will automatically renew for a month-to-month period.
- D. **Anniversary Date** – This agreement coincides with any current or future tenancy to include leases that Next Step Realty Management inherited on behalf of the owner, or when Next Step Realty Management executes a new lease agreement to include all lease renewals under management.

E. **Tenancy:** This agreement coincides with any current or future tenancy to include leases that are inherited on behalf of the Owner, or when a new lease agreement is executed by Manager.

F. **Change of Terms:** Any effective changes to this agreement after the initial term must be in writing and be presented to the other party at a minimum of 60 days in advance.

G. **Termination:** If Owner violates any terms of service contained in this agreement or Manager determines that effective management services can no longer be provided, Manager may terminate this agreement immediately without notice.

4. LEASING AUTHORITY OF MANAGER

Owner grants to Manager the following authority which Manager may exercise on behalf of Owner's best interest:

- A. Advertise the Property for lease using methods Manager determines to be most effective.
- B. Place a "For Rent" sign on property in accordance with local rules and regulations.
- C. Place a lockbox on the home to allow potential and/or prescreened applicants access for showings as deemed appropriate by Manager.
- D. Authorize other Managers, their associates, inspectors, appraisers, and contractors to access the property at reasonable times and to disclose security and lock box codes as required or needed to facilitate access to the home under Manager discretion.
- E. Negotiate and execute leases on Owner's behalf at market rates of not less than 6 months, and no more than 18 months.
- F. Negotiate and execute any amendments, extensions, or renewals to any lease for the property on the Owner's behalf and Terminate

Owner Initials: _____ Next Step Realty Mgmt.: _____

Address of Home to Be Managed: _____

leases for the property, negotiate lease terminations, and serve notices of termination.

repair, maintenance item, or alteration without Owner's prior approval.

5. FINANCIAL AUTHORITY OF MANAGER

- A. Collect and deposit Owner rents, security deposits, and other funds related to the property in a trust account and pay any compensation and reimbursements due Manager under this agreement and any other persons this agreement may authorize to compensate. If Owner chooses to have a separate bank account and not participate in the Manager's trust account, Owner agrees to pay Manager an account maintenance fee of \$120 per year or \$10 monthly.
- B. Collect all administrative charges without accounting to Owner, any additional tenant fees, late fees, administration fees, processing fees, pet fees, application fees or any other tenant related charges associated with management.
- C. Enforce actions to evict tenants in the property, recover possession of the property, recover lost rent with damages, and defend against legal action with attorney's fees.
- D. Negotiate and make reasonable concessions to tenants on a case-by-case basis.
- E. Obtain information from any holder of a note secured by a lien on the property and any insurance company insuring all or part of the property.
- F. At Owner's discretion, Next Step Realty Management can be authorized to pay monthly or quarterly Homeowners Association (HOA) dues on behalf of the Owner. Funds to process this periodic payment, depending on the HOA guidelines, can be pulled from owner reserves or lease proceeds.

- C. For repairs exceeding \$250, funds for work to be completed and any additional repair charges will be collected from the Owner in advance of work being performed.
- D. Manager may hire contractors to make emergency repairs to the property without regard to the expense limitations that Manager determines are necessary to protect the property or the health and safety of an ordinary tenant.
- E. Manager may contract, at Owner's expense, in either Manager's or Owner's name, for utilities and maintenance to the property during times that the property is vacant, including but not limited to electricity, gas, water, alarm monitoring, cleaning, pool and spa maintenance, yard maintenance and other regularly recurring expenses that Manager determines are reasonable to maintain and care for the property.

6. MANAGER MAINTENANCE AUTHORITY

- A. **Routine Repairs:** Hire contractors to repair, maintain, improve, or alter the property provided Manager does not expend more than **\$250.00** for any single repair, maintenance item, or alteration without Owner's prior approval.
- B. **HVAC – Plumbing – Electrical:** During repairs for HVAC, Plumbing, or Electrical work regarding the safety and health of a Tenant, Manager may expend no more than **\$250.00** for any single

7. MANAGER AUTHORITY - AGREEMENTS

- A. This agreement is subject to policy and procedure changes updated periodically into the Property Management Agreement.
- B. Manager reserves the right to amend or supplement the terms and conditions contained in this Property Management Agreement by providing written notice to Owner via email.
- C. This agreement may be assigned without written permission from Owner.

8. RECORD KEEPING

- A. Manager will file reports with the Internal Revenue Service related to funds received on behalf of the Owner under this agreement. Owner authorizes delivery of 1099 via electronic methods.
- B. Manager will remit each month to the Owner funds collected by Manager for Owner under this agreement, less authorized deduction, and a statement of disbursements, and charges. Owner may instruct Manager to remit the items to another person or address.
- C. Overdrawn Owner accounts reaching past 30 days will incur a surcharge for payment by

Owner Initials: _____ Next Step Realty Mgmt.: _____

Address of Home to Be Managed: _____

Owner. The charge will equal 10% of the total overdrawn amount with a minimum charge of \$39 per month.

the average turn over costs to get the property rent ready.

E. That's why we offer the DOUBLE SECURITY DEPOSIT GUARANTEE.

9. SECURITY DEPOSITS – (IF THERE IS ONE IN PLACE ALREADY)

- A. During this agreement, Manager will maintain security deposits received from tenants in a trust account and will account to tenants for the security deposits in accordance with the lease agreement and state law.
- B. After this agreement ends, Manager will deliver to Owner the status of the security deposit, less any deductions owed to Manager. In addition, Manager will send written notice to the tenant that the agreement has ended, the exact dollar amount of deposits, any Owner contact information, and a notice that Owner is solely responsible for accounting and returning the tenant's security deposit from date of cancellation.
- C. Owner will waive any liability against Manager from any claim or loss from a tenant for the return of a security deposit. Owner will be responsible for any legal fees incurred by Manager in lawsuits over a security deposit return. This paragraph survives termination of this agreement.

10. NO SECURITY DEPOSIT

- A. It is the policy of Next Step Realty Management not to charge or collect a security deposit. There are too many potential legal problems associated with collecting a security deposit.
- B. Did you know: If a security deposit is not returned within 21 days or up to 30 days (depending on the language of the lease agreement) the tenant has a right to sue for damages up to 3 times the security deposit they paid.
- C. Most turnovers take on average of 20-30 days to complete especially if painting and flooring are required. Vendor billing can cause additional delays getting the security deposit processed and sent out on time.
- D. A standard security deposit is only 1 months rent or less. Average security deposit is \$1200-\$1500. With continual inflation and cost of labor and materials most security deposits don't cover

11. DOUBLE SECURITY DEPOSIT GUARANTEE

Next Step Realty Management offers all Owners the Double Security Deposit Guarantee. This program will offer to repair or reimburse Owner for damages caused to the property by the tenant turnover expenses (after vacating the property) above normal fair wear and tear, up to the amount of 2 times (2X) the Monthly Rent. This amount will be limited to \$5,000 per property, per incident. This excludes pet damage covered in our Free Pet Protection Guarantee and / or damage caused by an authorized Service Animal per the Fair Housing Guidelines.

- A. The program is not an insurance policy nor is it backed by an insurance company. Rather, the program is a safety net to protect Owner's interest in the property and to avoid costly tenant turnover expenses. If damage occurs, Manager will bear the costs associated with making the repairs (to restore the property to its pre-damaged condition up to \$5000).
- B. The monthly fee is \$50 per door. (Tenants will bear this cost because it is calculated into their monthly rent, therefore costing you nothing).

12. FREE LEASING GUARANTEE

Next Step Realty Management will guarantee tenancy for 12 months (Military Clause Excluded). Should a tenant that Next Step Realty Management screened and placed under an executed lease agreement fail to complete an initial term for their lease agreement, NO Leasing Fee will be charged to replace that tenant. This excludes any shorter lease agreements that Owner agrees to with an executed lease agreement.

13. 21 DAY RENTAL GUARANTEE*

Next Step Realty Management will guarantee a signed lease within 21 days of the property being cleaned and rent ready or no lease up fee will be charged. *Owner must allow pets*.

14. FREE PET PROTECTION GUARANTEE

Next Step Realty Management charges a monthly Pet Administrative Non-Refundable Fee to the tenant per each approved pet. We offer a guarantee that any damages caused to the home, above fair wear and tear, resulting from

Owner Initials: _____ Next Step Realty Mgmt.: _____

Address of Home to Be Managed: _____

the approved pet(s) will be reimbursed by Next Step Realty Management to make necessary repairs on behalf of the owner. This excludes any ESA/Service Animals per the Fair Housing Guidelines. This Free Pet Protection Guarantee is **limited to an amount of \$2,000.00 per incident**. Any collection efforts under this provision become the sole responsibility and ownership of Next Step Realty Management.

15. RESERVES

Upon execution of this agreement, or at time of execution of a new lease, Owner will allow Manager to hold in a trust account a reserve. These reserve funds will be used to pay any expense related to the leasing and management of the property. If the balance of the reserve becomes less than the amount stated, Manager may deduct the applicable amount from the monthly income to bring the balance to the amount requested. **The standard reserve is \$250.00 per property.**

16. E-PAYMENT POLICIES

Owner draws will be batch processed and sent out via ACH on or about the 13th – 15th of each month. All Owner payments are made ACH and will be sent directly to the Owner’s checking or savings account from the bank ACH information provided below.

Owner draws should be received by Owners by the 15th each month via ACH. Mailed checks should be received by the 25th of each month.

17. OWNER REPRESENTATIONS

Owner represents and attests to all the following:

- A. Owner has fee simple title to and the legal capacity to lease the property.
- B. Owner is not bound by another agreement with another Broker or Manager for the leasing, management, or sale of this property that will affect the timing of this agreement. Should Owner enter into an agreement with another Manager, this agreement can be terminated without notice subject to all cancellation fees per Section 21.
- C. No person or entity has any current rights to purchase, lease, or acquire the property by an option, right of first refusal, or any other agreement.
- D. Owner is not delinquent in the payment of any property taxes, association fees, property hazard insurance, or mortgage payments.

- E. Owner is in compliance with all local rental requirements to include licensing, fees, association permissions, property codes, and local taxes.

18. PROPERTY CONDITION

A. Owner and Manager are obligated under law to disclose to a tenant or to a prospective tenant any known condition that materially and adversely affects the health or safety of an ordinary tenant. Owner may be obligated under the Property Code to repair such condition for a tenant. Owner represents that:

- (1) any pool or spa has the required enclosures, fences, gates and latches in place to comply with all laws and ordinances; and
- (2) there are adequate and working smoke and CO2 detectors per building code; and
- (3) Owner is not aware of any condition existing on the property that would materially affect the health or safety of an ordinary tenant.

B. **Locks:** For safety and peace of mind for tenants, Owner authorizes Manager to rekey the locks between each new tenant at Owner’s expense.

C. **Utilities:** Owner is required to keep utilities connected and enabled to the home during any vacancies. Utilities to include water, gas, and electricity. Utilities may be removed out of the Owner’s name starting the first day of the executed lease agreement.

D. **Lead-Based Paint:** Was the property to be managed under this agreement built prior to 1978?

YES NO

If YES– Manager and Owner may complete and attach to this agreement an addendum regarding lead-based paint and lead-based paint hazard information that will be made part of any lease of the property and as required by federal law.

19. OWNER AGREES TO:

- A. Cooperate with Manager to facilitate showing, marketing, and lease of the property.
- B. Not rent or lease the property to anyone without Manager’s written approval.

Owner Initials: _____ Next Step Realty Mgmt.: _____

Address of Home to Be Managed: _____

- C. Not negotiate with any prospective tenant or purchaser who might contact Owner directly, but refer all inquiries to Manager.
- D. Not deal with or negotiate with any tenant in the property concerning any matter related to the management, leasing, or purchase of the property.
- E. Not enter into a listing agreement For Sale or a property management agreement with another Manager for the rental, leasing, or management of the property to become effective during this agreement.
- F. Provide Manager with any existing copies of lease agreements related to the property, keys, remotes, or any warranties.
- G. Tender to Manager any security deposits paid by existing tenants.
- H. Notify Manager if Owner becomes delinquent in the payment of any mortgage secured by the property, property taxes, property insurance, or association fees.

20. OWNER'S INSURANCE

It is required that all homeowner's carry insurance on the property to assist in risk mitigation to the owner, the tenant, and the property manager. At all times during this agreement while this home is under management, Owner must maintain in effect a public liability insurance policy (homeowner's insurance) that covers losses to the property. **It is required that the Owner name Next Step Realty Management as "Additionally Insured" on their Owner's Insurance Policy.** Within 15 days of execution of this agreement, provide Next Step Realty Management with written proof of insurance coverage delivered via mail, email, or fax that indicates Next Step Realty Management – as named **"Additionally Insured"** on their Homeowner's insurance Policy.

- A. This agreement will also serve as Owner's authorization to obtain and discuss any claim regarding this home directly with the Owner's insurance company.
- B. Owner agrees to indemnify, defend and hold Manager harmless from all claims, investigations, and lawsuits by third parties related to the property, and the management and leasing, whether occurring during the term of this agreement or after its termination, and from any

claim or liability for damage to the property, or injuries or death of any person.

- C. Manager shall not be liable for any neglect, abuse, or damage to the property by tenants, vandals, or others, or if the property is found to be contaminated with hazardous waste, mold, or damage to any personal property of Owner. The foregoing indemnification shall survive the termination or expiration of the Agreement.

21. MANAGEMENT FEES

Management Fees: Next Step Realty Management will charge a Monthly Management Fee based on the rent range in the Silver, Gold or Platinum plans as stated in the matrix above for each month the home is under management. Management fees will be charged once the home has been turned over to Manager.

Monthly Management Fee: Based on the rent range in the Silver, Gold or Platinum plans as stated in the matrix above.

Leasing Fee: \$250 charged upon any newly executed lease agreement.

Renewals or Extensions: Each time a tenant renews or extends their lease agreement, Next Step Realty Management will charge a **Renewal Commission of \$100.** This commission will be charged for any executed lease extensions of at least 6 months, with a maximum of 12 months. This charge will be paid the following month after the extended lease agreement has been executed.

Interest on Trust Accounts: Next Step Realty Management retains any and all income resulting from an interest-bearing account.

Administrative Fees: Next Step Realty Management will retain any and all administrative fees to include but not limited to late fees, in-sufficient fund fees, returned checks, pet admin fees, resident benefit package or any other assessed tenant fees per the lease agreement.

Landlord Exit Fee: Upon completion or termination of this agreement, owners will incur a \$100 charge for turning over all documentation, accounting for all funds, archiving all files, and forwarding any information required to the owners and/or the tenants. All files and accounting are required to be archived for seven years.

Owner Initials: _____ Next Step Realty Mgmt.: _____

Address of Home to Be Managed: _____

22. EARLY TERMINATION OF AGREEMENT

- A. **Prior to Lease Execution** - Owners may request an early termination to this agreement prior to a tenant renting their home, or while their home is being marketed. There is a one-time early termination charge of \$500. Owner will reimburse Manager for any refunded applications, or unpaid fees caused from this early termination.
- B. **After Lease Execution** – Owner may cancel the month-to-month management agreement with a written 30-day notice to Manager at any time without penalty.

23. MAINTENANCE AND REPAIRS

- A. Payments: All vendor payments for work conducted on a home under management must be processed through Next Step Realty Management.
- B. Owners should consider this notice that on occasion without accounting to Owner, Next Step Realty Management may receive incentives, reimbursements, discounts, rebates, referral fees, or cash payments from business associates including cable companies, internet service providers, contractors, and vendors to refer or participate in joint business arrangements relating to repairs, inspections, improvement maintenance, referrals, or group marketing efforts.
- C. At Managers discretion a 10% fee of gross invoices for all labor and material arranged for and contracted by Manager for remodeling, redecoration or repair may be charged.
- D. From time-to-time manager will be available for repairs, Owner agrees that Manager will charge \$75 per hour for labor.

24. FORECLOSURE NOTICES

- A. If Manager receives notice of the Owner's delinquency in the payment of any mortgage or encumbrance secured by the property, property taxes, property insurance or Homeowner's Association fees, Manager may give 15 days to cure the delinquency during which period Owner authorizes Manager to freeze any funds held by Manager and no disbursements will be made to Owner related to this agreement or the Property. If after the 15-day period, the delinquency is not

cured, and the foreclosure process is initiated. Owner authorizes Manager to deduct from any other funds being held by Manager for Owner any remaining Manager fees or funds due to Manager related to services performed under this agreement.

- B. Owner authorizes Manager to return any security deposit being held by Manager to a tenant of the Property in addition to any prorated amount of rent being held by Manager and Manager may terminate this agreement without notice. This paragraph does not preclude Manager from seeking any other remedies under this agreement or at law that may be available to Manager.

25. OWNER HOME WARRANTY

Does Owner Have a Home Warranty? YES NO

Manager DOES NOT recommend using a 3rd party provider for Home Warranty services. Under this agreement, service calls that require the involvement of a 3rd party home warranty vendor will incur additional charges of \$45 per work order.

Home Warranty Failure To Repair: In the event a Home Warranty company fails to complete a timely repair, Next Step Realty Management retains full authority under Section 6 to complete any and all necessary repairs at Manager discretion.

26. PERIODIC HOME ASSESSMENTS

It is the policy of Next Step Realty Management to conduct an Annual Home Condition Assessment every year and/or prior to a lease renewal being fully executed at a cost of \$95. Owners may elect to have additional Home Condition Assessments at the cost of \$95.00 per assessment. A copy of this assessment will be sent to the owner.

27. NECESSARY MAINTENANCE

During an initial or annual Home Condition Inspection, it may become necessary to perform required maintenance to a home. It is the policy of Next Step Realty Management to ensure full compliance with state law.

28. POOL/SPA MAINTENANCE

Does the Home Have a Pool/Spa? YES NO

Owner agrees to provide an ongoing Pool/SPA Maintenance Service Contract with Manager. All billing and service arrangements may be made through Manager.

Owner Initials: _____ Next Step Realty Mgmt.: _____

Address of Home to Be Managed: _____

29. LAWN CARE – SELECT AN OPTION

- A. Owner/HOA YES
- B. Tenant YES
- C. Next Step Realty Management YES

30. ASSURANCE PACKAGES - OPTIONAL

For \$25 Per Month Per Door, All Four Assurance Packages are included with the Property Management Agreement. You may choose A la cart at \$10 per assurance item.

- A. Include all 4 packages for \$25 - YES
- B. A la cart options marked below

- Damage Assurance – YES
- Eviction Assurance – YES
- Pet Assurance – YES
- Rent Assurance – YES

31. DAMAGE ASSURANCE

This program is designed to cover damages exceeding the Double Security Deposit Guarantee caused by a tenant that fall outside of the Homeowners Insurance coverage and excludes fair wear and tear. (Maximum Amount of Claim will not exceed \$2,500.00)

With DAMAGE ASSURANCE – Next Step Realty Management will cover ALL costs caused by a tenant considered to be above normal wear and tear, and that exceeds the Double Security Deposit Guarantee. (Combined the Maximum Amount of Claim will not exceed \$7,500.00)

By agreeing to this program, the homeowner will subjugate all rights to pursue any and all debts incurred to Next Step Realty Management, against the tenant. Damage Assurance is only offered to owners who have allowed Next Step Realty Management to properly screen their tenants through our application process, and those tenants that complete a lease agreement both written and executed with Next Step Realty Management. This program excludes vandalism, terrorism, fire claims, water claims, natural disaster claims, owner negligence, or any portion of a claim that can be covered by the homeowner’s insurance coverage they are required to carry per the Next Step Realty Management Property Management agreement. In the event of malicious damage to the property by an outgoing tenant, Owners will be required to file a damage claim with their Homeowner’s Insurance provider.

32. EVICTION ASSURANCE

Next Step Realty Management offers eviction assurance.

If an eviction becomes necessary at your property, Next Step Realty Management will cover all costs incurred in removing a tenant from your home (Maximum Amount of Claim will not exceed \$5000). Included:

- A. Attorney’s fees: \$800+
- B. Court filing fees: \$100+
- C. Writ of Possession (Sheriff Fees): \$100+
- D. Remove all tenants’ possessions: \$1500+
- E. Lock Change: \$100+
- F. Make property ready for new tenant: \$2000+

With EVICTION ASSURANCE – Next Step Realty Management will cover ALL of the above costs incurred from an eviction on your behalf (Maximum Amount of Claim will not exceed \$5000).

In the event of malicious damage to the property by an outgoing tenant, Owners will be required to file a damage claim with their Homeowner’s Insurance provider. Eviction Assurance is only offered to owners who have allowed Next Step Realty Management to properly screen their tenants through our application process, and those tenants that complete a lease agreement both written and executed with Next Step Realty Management. By agreeing to this program, the homeowner will subjugate all rights to pursue all debts incurred to Next Step Realty Management, against the tenant.

33. PET ASSURANCE

Next Step Realty Management charges a monthly Pet Administrative Fee to the tenant and offers a **\$2,000 Pet Protection Guarantee at no additional expense to the owner**. The Pet Assurance program will offer an additional coverage of up to **\$3,000 per incident (\$5,000 TOTAL)** This protection program will cover pet related damages caused to the home, above fair wear and tear, resulting from all approved pet(s), this excludes any ESA/Service Animals per the Fair Housing Guidelines, and will be reimbursed by Next Step Realty Management to make necessary repairs on behalf of the owner. Any collection efforts under this provision become the sole responsibility and ownership of Next Step Realty Management.

This program is designed to cover specific pet damages that fall outside of the Homeowners Insurance policy and

Owner Initials: _____ Next Step Realty Mgmt.: _____

Address of Home to Be Managed: _____

excludes fair wear and tear. (Maximum Amount of Claim will not exceed \$5,000.00)

By agreeing to this program, the homeowner will subjugate all rights to pursue any and all debts incurred to Next Step Realty Management, against the tenant. **PET ASSURANCE** is only offered to owners who have allowed Next Step Realty Management to properly screen their tenants through our application process, and those tenants that complete a lease agreement both written and executed with Next Step Realty Management. The \$5,000 in coverage is aggregate to all approved pets in the home. This program excludes vandalism, terrorism, fire claims, water claims, natural disaster claims, owner negligence, or any portion of a claim that can be covered by the homeowner's insurance policy they are required to carry per the Next Step Realty Management Property Management Agreement.

34. RENT ASSURANCE

If an eviction becomes necessary at your property, and the tenant refuses to leave the home after a late notice, and court order for an eviction hearing have been served – Next Step Realty Management created a program that will guarantee a continued 30 days of income to the owner. Given that most evictions take around 30 days or longer – this will further prevent unforeseen losses to an owner should an eviction be necessary. Every effort will be made to mitigate losses by working with a bad tenant – but this program will ensure owners will receive **One Month's** worth of rental compensation while a tenant is being removed.

Next Step Realty Management will pay the owner **One Month's** rental income if a tenant is evicted by the courts and forced to vacate with a writ of possession being executed by law enforcement.

Example: A tenant stops paying rent and vacates after the 5th of the month, Next Step Realty Management will post notice to vacate, file an eviction, the attorney will serve the tenant papers at their home, Next Step Realty Management will attend eviction court, file for a writ of possession, and meet the Sheriff Deputy to execute the writ of possession by moving all tenant's possessions off the property. If a tenant refuses to leave and is forced to vacate by law enforcement – Next Step Realty Management will reimburse Owner the equivalent of **One Month's** rent.

This program does not cover early terminations, tenants vacating with a military or court order clause, abandonments, or mitigated move outs. In most cases where a tenant willingly vacates a home, the home would go back to the possession of the owner immediately to re-rent, which would minimize any income losses. By agreeing to this program, the homeowner will subjugate all rights to pursue all debts incurred to Next Step Realty Management, against

the tenant. Rent Assurance is only offered to owners who have allowed Next Step Realty Management to properly screen their tenants through our application process, and those tenants that complete a lease agreement both written and executed with Next Step Realty Management.

35. LIABILITY AND INDEMNIFICATION

- A. Manager is not responsible or liable in any manner for personal injury to any person or for loss or damage to any person's real or personal property resulting from any act or omission not caused by Manager's negligence.
- B. This includes but not limited to injuries or damages caused by: Other Managers, their associates, inspectors, appraisers, and contractors who are authorized to access the property on behalf of the Owner; Acts of third parties (vandalism, theft, or other criminal acts); Freezing or leaking water pipes; A dangerous condition or environmental condition of the property; Earthquakes or Flooding; Or the property's non-compliance with any law or ordinance.
- C. Manager assumes no responsibility or management of personal property left by Owner at the property.
- D. Manager is not responsible or liable in any manner for any late fees or other charges Owner incurs to any creditor caused by late or insufficient payments by any tenant or in the property damages to Owner caused by a tenant's breach of lease.
- E. Owner agrees to protect, defend, indemnify, and hold Manager harmless for any damage, costs, attorney's fees, and expenses that: (1) Are caused by Owner, negligently or otherwise; (2) Arise from Owner's failure to disclose material or relevant information about the property; (3) Are caused by Owner giving incorrect information to any person; (4) related to the management of the property and are not caused by Manager, negligently or otherwise.
- F. Owner is responsible for and liable for all contracts and obligations related to the property for maintenance, service, repairs, and utility arrangements made before or during this agreement. Owner agrees to hold Manager harmless from all claims related to such contracts.
- G. **Property Codes & State Laws:** State law/guidelines may require smoke and or CO2

Owner Initials: _____ Next Step Realty Mgmt.: _____

Address of Home to Be Managed: _____

detectors in certain locations including living areas, bedrooms, kitchen, etc... Rekeying after each tenant, peep holes on exterior doors and other items to ensure personal health and safety. Owner will incur the cost to comply with Property Codes & State Laws.

jurisdiction and venue in the State of Idaho with respect or any question or controversy arising out of, or in conjunction with this Agreement or its subject matter.

H. **INDEMNITY PROVISION: IF ANY THIRD PARTY ASSERTS ANY CLAIM AGAINST MANAGER FOR ANY CAUSE OF ACTION RELATED TO THE LEASE AGREEMENT OR THIS AGREEMENT, OWNER WILL INDEMNIFY MANAGER FROM ANY CLAIMS, INCLUDING ATTORNEY FEES INCURRED IN DEFENSE OF ANY CLAIM.**

37. FEDERAL FAIR HOUSING NOTICE

In accordance with the Federal Fair Housing laws, the National Association of Residential Property Managers (NARPM), Institute of Real Estate Management (IREM) and the National Association of Realtors Code of Ethics, Manager's services must be provided, and the property must be shown and made available to all persons without regard to race, color, religion, national origin, sex, disability, familial status, sexual orientation, or gender identity.

36. BINDING EFFECT:

- A. This Agreement shall be binding upon the Parties hereto and their respective personal representatives, heirs, administrators, executors, successors, and assigns. Owner acknowledges receipt of a legible copy of this fully executed agreement.
- B. Should any section or any part of any section of this Agreement be rendered void, invalid, or unenforceable by any reason by any court or law exercising competent jurisdiction, such a determination shall not render void, invalid, or unenforceable any other section or any part of any section in this Agreement.
- C. This Agreement was entered into and delivered to you in the State of Idaho. Therefore the parties hereto understand and agree that this Agreement shall be construed and enforced in accordance with the laws of the State of Idaho, and the parties hereby waive any objection to the

Owner understands that state and federal law govern "service animals" and "emotional support animals" and those animals are NOT legally considered pets; therefore, pet policies do not apply. Manager shall have full authority to review, approve, negotiate, or decline any and all service animal requests.

38. ACH INFORMATION FOR DIRECT DEPOSIT

Next Step Realty Management sends monthly Owner Draws directly to the Owner's account via ACH. We request your banking information below and your signed authorization to conduct ACH transactions with your banking institution.

Name of Owner Bank: _____

Checking Account Savings Account

Account Number: _____

Routing Number: _____

39. SIGNATURES:

Next Step Realty Management

Representative Signature

Date

Owner Printed Name

Owner Signature

Date

Owner Initials: _____ Next Step Realty Mgmt.: _____



ADDENDUM 1

The following is a list of properties added to this management agreement: Reference Section 2

Next Step Realty Management