

PROPERTY MANAGEMENT AGREEMENT

THIS AGREEMENT made effective as of the ____ day of _____, _____.

BETWEEN:

_____ having an office at _____, Minnesota
(the "Agent")

- and -

_____ of _____, Minnesota
(the "Owner")

THIS AGREEMENT WITNESSES that in consideration of the mutual covenants and agreements contained in this Agreement, the parties hereby agree as follows:

1. *Engagement and Grant of Authority.* The Owner hereby retains the Agent on an exclusive basis, and the Agent accepts the retainer, to rent, lease and otherwise manage the residential property located at:

_____ (the "Premises")

as more particularly described in the Addendum to this Agreement. The Owner grants the Agent the authority and power to perform its duties and responsibilities under this Agreement, and the Owner shall pay the Agent's expenses in connection with such performance.

2. *Term and Termination.* The term of the Agreement shall be for a period of ____ year(s), commencing on the ____ day of _____, 20____ and terminating on the ____ day of _____, 20____, and continuing thereafter on a monthly basis until terminated by either party upon thirty (30) days' written notice to the other party.

3. *Management Fees.* The Owner agrees to pay the Agent the following amounts as management fees for the services described below:

- (a) For finding and screening qualified tenants, preparing the rental agreements, and establishing new tenant records, a fee of ____% of the first month's gross collections from the tenant.
- (b) For all other ongoing management services, a management fee of ____% of the monthly gross rental income, commencing the second month of the tenancy and continuing each month of the tenancy thereafter.

If the Owner rents the Premises to a tenant procured by the Agent, then the Agent shall be entitled to the management fee for such rental for the term of the rental contract.

4. *Additional Fees.*

- (a) In the event that the Owner requests the Agent to undertake work outside of the duties and responsibilities of the Agent hereunder, the parties shall agree upon an appropriate hourly fee before the work begins. Such work would include such tasks as improvements to the Premises, major restoration after fire, flood or other damage, and similar work.
- (b) In the event that the Owner sells the Premises at any time to a tenant placed by the Agent, the Owner agrees to pay the Agent a finder's fee of ____% of the sale price. The Agent shall release the Owner from contract at the close of escrow.
- (c) The Owner agrees that the Agent may be compensated by the party requesting an assignment of lease for services rendered in negotiating the consent to the assignment.

5. *Duties and Responsibilities of Agent.* At all times during the term of this Agreement, the Agent shall:

- (a) prepare monthly statements of receipts, expenses and charges and provide the Owner with all such statements. Agent is authorized to retain all late fees and returned check charges;
- (b) collect monthly rents, security deposits and other charges from tenants with respect to the Premises, and deposit the same into separate trust accounts maintained for that purpose. The Agent must maintain separate trust accounts for operating expenses ("Operating Trust Account") and security deposits ("Security Deposit Trust Account"). The Agent will hold all security deposit funds in the Security Deposit Trust Account. The Agent will pay expenses involved in the operation of the Premises from funds on hand in the Operating Trust Account;

THIS IS A 6-PAGE CONTRACT.