



### **Property Management Agreement**

1. **PARTIES** - This Agreement is entered by and between \_\_\_\_\_ hereinafter called "Owner" and *Mavi Unlimited, Inc.*, hereinafter called "Manager." Owner hereby represents to Manager that he/she/they are the owners of the property or premises located at:

Address:

hereinafter called "Property" or "Premises." Renter or renters of said Property are hereinafter referred to as "Tenant."

2. **TERM:** The term of this Agreement shall commence on this \_\_\_ day of July, 20, and end on the \_\_\_ day of June, 20. Upon expiration of the above initial term, this Agreement shall automatically be renewed and extended for a like period of time unless terminated in writing with not less than (SIXTY) 60 days' prior written notice to the AGENT. If terminated, Owner shall be fully responsible of Premises, subject to the rights of any Tenant rightfully in possession. Owner's proceeds shall be distributed by Manager no later than thirty (30) days after termination unless outstanding Manager or third-party obligations remain, in which case distribution shall be accomplished immediately after the last such obligation is satisfied.

3. **MANAGER'S FEES:**

Monthly rent collection fee - A fixed percent of the monthly rent/income/charged back recouped income (utilities, pet rent, etc) charged by Manager as compensation. Such fee shall be 10% for each individual living unit, based on the monthly rental income actually collected from the tenant(s) if occupied. This includes any rent, utilities, and any other costs paid by tenant(s).

Leasing fees for new tenancies – Each time the property is leased to a new tenant, Owner will pay Manager a leasing fee equal to 50% of one full month's rent, due and payable at the time the lease is executed.

Lease renewal – Each time a tenant in the property renews or extends a lease, Owner will pay Manager a renewal fee of 50% of one full month's rent, due and payable at the time the new lease is executed.

Start up fee - Manager shall receive \$500 as an administrative start up fee at the beginning of service. This fee covers the time it takes to properly set up a new property and owner into Manager's various systems.

Late fees - In the event that it is necessary to assess a tenant with a late fee, 100% of the fee will go to the Manager. This policy is due to the amount of extra time, gas, and money associated with collecting late rent. Agent will also collect and retain late fees and charges for bounced checks.

Other Tenant fees – Manager may, per the terms of its lease agreement, require tenants to pay additional fees, penalties, pet rent, or other charges as part of the normal business of operating residential properties. While these fees must be disclosed to Tenants, Manager need not disclose to Owner. Owner may request a copy of Manager's lease at any time.

All applicable charges outlined under "Maintenance", section 6 C of this agreement.

4. **RESPONSIBILITY OF MANAGER**

Owner hereby employs the services of the Manager to manage, operate, control and rent the property described herein. Owner hereby appoints Manager as lawful agent and attorney-in-fact with full authority to do any and all lawful things necessary for the fulfillment of this Agreement, including the following:

- A. To collect monthly rent as it becomes due, giving receipts therefore and to render to Owner a monthly accounting of rent received and expenses paid out; and to remit to Owner all income, less any sums paid out and as set forth herein, General Provisions, paragraph B. Collection of Rent.
- B. To make or cause to make all maintenance, alteration and repairs to the property as are determined necessary and to hire and supervise all employees and other labor for the accomplishment of same and as set forth herein, General Provisions, paragraph C. Maintenance.
- C. To advertise the property at Owner's expense by means and methods that Manager determines are reasonably competitive. To rent the property; to sign, renew and cancel rental agreements for the

property or any part thereof. Manager shall have sole responsibility for establishing the terms and conditions for tenancies of the Property, including but not limited to approving applicants, establishing rents, deposits, fees, pet terms, and lease terms and conditions. Broker shall not be required to present all offers to lease.

## 5. DISBURSEMENTS

- A. Manager shall pay, out of rent received, the following as they accrue and in the order herein set forth:
  - 1. Manager's compensation, as described in this agreement.
  - 2. Such advertising, utility bills, necessary repairs or charges to maintain the Property; cleaning charges as shall accrue or be necessary to preserve the Property during periods of vacancy or occupancy; to put the Property in a rentable condition after vacated; or expenses to regain possession or to attempt to collect delinquent rent.
  - 3. Proceeds to Owner: Tenancy revenues, refunds, adjustments, or other funds due to Owner shall be sent on or before the last day of each month to Owner. In the event that the Manager receives rent late or cannot collect rent, proceeds to Owner will be disbursed with the next monthly distribution after receipt.
- B. Accounting for funds: Manager shall furnish Owner a monthly accounting statement showing the receipts and expenditures with respect to the Premises, plus Owner's monthly proceeds, as set forth in this section.
- C. It is expressly agreed that nothing herein contained shall be construed as requiring Manager to advance any of its own monies for any purpose whatsoever. If Owner is unable to pay their own bills, Manager is allowed to assess interest to Owner at a rate not to exceed 8% if said expenses are over 30 days past due and Manager advances the funds to the Owner's account.

## 6. GENERAL PROVISIONS

- A. **Grant of Power:** Subject to the limitations set out herein, Owner grants Manager full power and authority to lease the real Property described, or any part thereof, in its own name as Manager for Owner. In order to effectuate same, Manager may enter into such written contracts and/or leases as Manager deems necessary, in its own name as Manager for Owner. Manager may collect and receive all rents arising as a result of Manager's management of the premises, and use such means as are ordinary and customary in collecting or attempting to collect any delinquent rents or in regaining possession of the premises from a Tenant whose rent payments are delinquent or who violates any other term of the tenancy held by Tenant. Owner hereby assigns to Manager any and all delinquent rents, damages and/or utilities due that may accrue from any Tenant for the purpose of crediting such rents to Owner's operating account for required disbursement.
- B. **Collection of Rent:**
  - 1. Manager shall use such means as are ordinary and customary to collect or attempt to collect any rent from any Tenant of the Premises. In the event legal action is necessary to obtain judgment for possession of the Premises, delinquent rent or damages upon other causes of action, Manager will, with permission of Owner, instigate action, legal or otherwise, for the collection of rents which are beyond the discretion heretofore allowed to Manager, provided such action is considered reasonable by the Manager.
  - 2. Manager shall not be held monetarily responsible for Manager's inability to collect rents. Manager shall not be held responsible for any expenses incurred for legal action involved in the collection of rents and/or the eviction of any Tenant and/or any damages incurred to the Property. All such expenses shall be paid by Owner, reimbursable in the event Manager is able to collect the rents, legal fees or damages from the Tenant.
  - 3. Once management concludes, Manager shall no longer be responsible for disbursing rent to Owner, including any files sent to collections. Manager reserves the right to retain any old debt collected and sent to Manager from past tenants after Manager and Owner have terminated this agreement.
- C. **Maintenance:**
  - 1. Manager shall have full authority to perform or to have performed such maintenance of the Property as is reasonable and necessary for the safety of the Tenants and the preservation of

- the Property. The owner of the property will provide Manager with \$200.00 that will be deposited in an escrow account. These funds shall be retained as “owner operating fund.”
2. Repairs beyond \$500.00 will be pre-approved by Owner, with the exception of events Manager deems to be an “emergency”, as well as mechanical/HVAC/heating and air conditioning repairs requiring HVAC or mechanical contractors. Examples of problems requiring this type of repair include but are not limited loss of heat, loss of air conditioning, loss of hot water, active water leaks, sewage backups, etc.
  3. Manager shall have the authority to add in or “mark up” a service fee for all work performed on Owner’s property. This mark up will be charged at Manager’s discretion to compensate for the time spent managing work orders, coordinating access, and paying vendors. This up charge shall be 10% of the total cost of each individual work order or invoice paid through Owner’s account. Manager may also require it’s hired maintenance vendors to pay it a fee or other percentage for the providing of maintenance work and oversight of said work. This is a separate agreement between Manager and its vendors and does not affect this management agreement.
  4. Manager may, at its sole discretion hire/employ individuals to act as “in house” maintenance workers, and bill Owner for maintenance services as defined in Section C. Owner is under no obligation to use Mavi Unlimited’s in house maintenance services, and Manager may not bill Owner under this concept if Owner refuses service. Manager’s hourly rate is deemed by Manager to be competitive for the marketplace, and may change without prior notice.
  5. If a rental unit is deemed in need of certain services/cleanings such as carpet cleaning and/or a general maid service cleaning of the interior, especially if it is deemed a necessary expense in order to secure a new tenant, Manager may schedule and charge Owner for the cost without prior approval.
  6. Manager may, in its reasonable discretion, install fire/smoke detectors, Carbon Monoxide detectors, and/or fire extinguishers on the Property at Owner’s expense.
  7. Manager may, in its reasonable discretion, inspect the Property to determine what maintenance needs to be performed to the Property. In fact, 1-3 times a year, Manager may chose to do an interior/exterior inspection to change smoke alarm batteries, change furnace filters, and look for preventative maintenance issues as well as conduct a documented condition report. Owner will be billed manager’s normal hourly rate and the cost of any materials used.
  8. Manager will solicit and receive bids for work to be performed when necessary, and Manager may charge a “Project Management” fee for this not to exceed \$250 for work costing up to \$2500, and not to exceed \$500 for work costing more than \$2500 unless previous agreed to between Owner and Manager. For any work costing over \$10,000, Manager may be entitled to a Project Management fee equal to 10% of the total project’s cost, without prior notification to Owner.
  9. For single family homes, if Owner is concerned about the condition of the yard/landscaping remaining watered and/or in good condition (well trimmed, mowed weekly, weeds pulled, etc.) Owner should consider letting Manager hire professional landscapers and furthermore, Owner may want to consider paying for all or a portion of the unit’s water bills during certain or all periods of the year (i.e. summer months).
  10. Mavi Unlimited will not be held responsible for damage to pools/spas. Mavi Unlimited will not schedule routine maintenance/upkeep unless requested by Owner. Owner must discuss any routine maintenance needed with their chosen pool/spa company themselves. Manager will not guarantee any tenant charge backs related to pool/spa damage, and will not attempt to collect any compensation for any damage that is not obvious/blatant to Manager .

**D. Discretionary Authority:**

1. In an emergency, as determined in Manager’s discretion, Owner authorizes Manager’s expenditure in excess of funds on hand without prior authorization. Owner shall thereafter promptly remit, upon Manager’s request, the necessary balance.
2. Failure of Owner to remit balances described in this subparagraph shall result in Manager’s reimbursement from subsequent revenues ordinarily accruing and payable to Owner.

**E. Insurance Coverage:**

1. Owner is obligated, at Owner's expense, to keep the Owner's mortgage(s) current and the necessary fire and extended coverage and liability insurance policies current and renewed. "Mavi Unlimited, Inc." shall be shown as an additional insured on such policies and Owner shall provide Manager with a certificate of insurance showing a minimum of \$500,000 liability coverage within 30 days of the execution of this agreement. Owner is solely responsible for payment of any mortgages or liens against subject Property.
2. Mavi Unlimited shall maintain, at its own expense, general liability and auto insurance with limits not less than \$1,000,000, as well as workers compensation coverage with provider of Manager's choice.

**F. Liability of Manager:** It is agreed that Manager shall use reasonable and ordinary care in the selection of Tenants and all other acts defined by this Agreement.

1. Owner shall hold Manager harmless from all personal injury suits, which may arise in connection with the management of the Premises, and from any liability from injuries suffered by any person entering the Premises.
2. Manager shall not be personally liable for any act it may do or omit to do hereunder as Manager while acting in good faith, exercising its best judgment, except for such liability that is upheld in a court of law.
3. Manager is hereby expressly authorized to comply with and obey any and all process, orders, judgments or decrees of any court. Where Manager obeys or complies with any such process, order, judgment or decree, it shall not be liable to Owner or any person, firm or corporation by reason of such compliance, notwithstanding subsequent reversal or modification.
4. Manager is hereby expressly authorized to comply with any laws, whether now in existence or hereinafter enacted, and whether federal, state, or local, relating to fair housing, rent control, discrimination and health and welfare. Manager is expressly authorized to comply with the rule or order of any governmental agency, insofar as such order in any manner affects the management of the Premises or any duties of the Manager hereunder.
5. Manager is hereby not liable or responsible for any personal items left over by Owner, regardless of value, type of belonging (furniture, art, automobile, etc.) or location in which item is left (garage, storage closet, locked storage unit, etc.). Manager will document appliances, or other built in features of unit only, all other personal items should be removed by owner prior to management if owner does not want them to be discarded of.

**G. Security and Damage Deposits:**

1. A security and damage deposit greater than or equal to one month's rent, shall be collected by Manager from Tenant before Tenant occupies the Premises. Such deposit shall be maintained in a savings/escrow account of the Manager or the Owner, with prior arrangement. Manager may take less than one month's rent equivalent with Owner's permission.
2. Security and damage deposit collected by Manager from Tenant, shall be returned to the Tenant by the Manager or the Owner when the Tenant vacates the Premises, subject to Manager's determination, consistent with Colorado law, which requires funds be returned within thirty (30) days unless otherwise stipulated in lease, not to exceed 60 (60) days.
3. Manager shall properly account for any portion of the security deposit retained for the purpose of offsetting Owner's expenses for unpaid rent, utilities, cleaning charges or repairs
4. In the event litigation occurs concerning security deposits, Manager shall defend same in its own name as Manager for Owner, at Owner's expense. Manager may charge Owner a fee not to exceed \$100/hour for time spent in litigation (time in court, time preparing for court, travel time to and from courthouse, etc.).
5. Should this Agreement terminate while an existing Tenant's security deposit is in Manager's possession, Manager shall forward that amount in full to Owner within 30 working days. As of disbursement, Manager shall have no further obligation or liability

whatsoever concerning the security deposit to any person or entity; and Owner shall hold Manager harmless there from.

H. **Off Market:** Owner expressly agrees that if the Premises are presently listed for sale, that once Manager procures Tenants to lease said Premises, Owner will immediately take said Premises off the market for sale for the duration of the Tenant's lease term and any extension thereto, unless otherwise agreed to with Manager in writing. In the event that the Owner decides to sell said Premises during Tenant's lease, Owner is not allowed to show said Premises until the end of the lease, unless it is approved by Manager and Tenant.

**I. Property Occupied at Commencement of Management:**

1. If property is occupied by a tenant when Manager commences management services, Owner must provide manager with any and all pertinent information/paperwork, including tenant ledger, rent rolls, leases, applications, and any tenant contact info.
2. Manager will hold security deposits of any tenants as described in Section G.
3. Owner acknowledges that all leases are different, and possibly up for interpretation. If tenant is not currently signed on a Mavi Unlimited lease, Manager may be limited in any and all actions that can be enacted, up to and including collecting back owed rent, late fees, entrance to property, maintenance scheduling, and eviction.

J. **Address of Owner/Contact person:** If Owner is a partnership, trust, corporation, or other entity, or if Owner consists of two or more individuals, then Owner agrees that notice by Manager to one individual shall constitute notice to all Owners. Owner expressly agrees to advise Manager, in writing, of any change of address or phone numbers as soon as possible.

K. **Deficit Account:** In the event of Manager's termination, should there be any outstanding and unpaid obligations, debts or charges due Manager, any amounts on account or received by Manager on account or otherwise due Owner shall be applied first to satisfy those obligations and then disbursed to Owner. Owner waives all protest and defenses against Manager for such lawful disbursements. Manager's lien right against Property shall not be waived by this provision.

L. **No waiver:** No waiver of any term, provision, or condition of this Agreement, a lease, or Agent's failure to insist upon strict compliance with the terms of this Agreement in any one or more instances shall be a further or continuing waiver of any such term, provision, condition, or right under this Agreement, or a waiver of Agent's right to act on any current or future violation by Owner (I.E. Wrong payment amount for any amount of time does not mean that the Agent waives the right to collect the correct payment amount for the remainder of this agreement).

M. **Attorney Fees and Costs:** If Owner or Manager is a prevailing party in any legal proceedings brought as a result of a dispute under this agreement or any transaction related to or contemplated by this agreement, such party will be entitled to recover from the non prevailing party all costs of such proceeding and reasonable attorney's fees not to exceed \$1000.

N. **Whole Agreement and Notice:** This writing embodies the entire agreement between the parties and is not based upon any other representation whatsoever, expressed or implied, except as herein contained. This Agreement cannot be modified by Owner without Manager's written permission, but Manager may change any terms of this agreement with 30 days written/emailed notice to Owner.

O. **Possibility of loss of rental income:** Owner acknowledges that the possibility of loosing a tenant, whether existing before Agent began management, or found by Agent, exists, and further agrees not to hold Agent responsible for loss of rental income or damage to premises resulting from an eviction, or from a tenant who vacated premises before the expiration of their lease. Owner acknowledges that while the Agent will do everything in their power to make a reasonable effort to enforce the terms of a lease, collect outstanding rent, etc., the possibility of losing rental income exists and is not the fault of Agent. Furthermore, if an eviction occurs, whether initiated by the Agent or not, the Owner will not fault the Agent for any additional loss of rental income or damage to property/premises.

**7. DISCLOSURE AND ACKNOWLEDGMENT:**

- A. At the time of execution of this Agreement, Owner acknowledges that they are aware that Manager is in the business of managing, operating and leasing residential real estate properties, including, without limitation, other buildings similar to the Premises or in proximity to the Premises, and therefore, Manager shall not be obligated to devote Itself exclusively to the management, maintenance, or operation of the Premises.
- B. Owner understands that this management agreement is fully assignable to a different Manager, should current Manager’s business sell, merge, or otherwise cease to exist. In this case, the new Manager is entitled to all of the rights privileges, and responsibilities mentioned in this agreement, and Owner continues to be bound by this agreement regardless of a change in Management company ownership.
- C. Owner further acknowledges that no guarantee or representation as to return, profit, anticipated gain or other possibility of profit or loss has been made to Owner by Manager, and that Owner has not relied upon any such guarantee or representation in entering into and executing this Agreement.
- D. Owner hereby agrees to immediately notify Agent if mortgage payments are not being made on property, or if property has fallen into an unfavorable financial situation. Agent reserves the right to inform any tenant(s)/occupant(s) of possibility of foreclosure proceedings and Agent cannot be held responsible for tenant(s)/occupant(s) vacating during any foreclosure period. Owner agrees to provide Agent with a copy of a recent mortgage statement verifying current loan status before Agent begins management.
- E. If a lender begins the foreclosure process on the property. Then the Manger may terminate the management contract immediately by providing 3 days written notice, and the Manager may return the security deposit to the owner or tenant at manager’s discretion and notify the tenant of the owner’s address.
- F. Legal Advice – Manager cannot give legal advice. Read this agreement carefully, and if you do not understand the effect of this agreement, consult an Attorney before signing.
- G. This Agreement has not been approved by the Colorado Real Estate Commission. It was prepared by Mavi Unlimited Inc in conjunction with advice from Manager’s legal counsel.

For Manager:

By \_\_\_\_\_ Date: \_\_\_\_\_  
 Mavi Unlimited, Inc.

For Owner(s):

By \_\_\_\_\_ Date: \_\_\_\_\_

For Owner:

By \_\_\_\_\_ Date: \_\_\_\_\_

**Disclosure of Information on Lead-Based Paint and/or Lead-Based Paint Hazards.**

Lead Warning Statement

Housing built before 1978 may contain lead-based paint. Lead from paint, paint chips, and dust can pose health hazards if not managed properly. Lead exposure is especially harmful to young children and pregnant women. Before renting pre-1978 housing, Lessor's must disclose the presence of known lead-based paint and/or lead-based paint hazards in the dwelling. Lessee must also receive a federally approved pamphlet on lead poisoning prevention.

Owner's Disclosure

(a) Presence of lead-based paint and/or lead-based paint hazards (Check one below):

Known lead-based paint and/or lead-based paint hazards are present in the housing (explain).

\_\_\_\_\_

Owner has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.

(b) Records and reports available to the Lessor (Check one below):

Owner has provided the Manager with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents below).

Owner has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

For Manager:

By \_\_\_\_\_ Date: \_\_\_\_\_  
Mavi Unlimited, Inc.

For Owner(s):

By \_\_\_\_\_ Date: \_\_\_\_\_

For Owner:

By \_\_\_\_\_ Date: \_\_\_\_\_

**Mold Addendum**

This mold addendum is attached to the management agreement between *Mavi Unlimited Inc.* and the *Owner* signed below. This mold addendum states that the Owner has no knowledge what so ever of any mold, mold like substance, or mold related problems associated with the property mentioned above, either currently existing, or prior. Owner further agrees that it is their responsibility to keep the property free of mold and mold related problems by addressing the following:

- 1) Keeping the premises, particularly the kitchen, bathroom(s), carpets, and floors, clean through regular vacuuming, mopping, and use of household cleaners.
- 2) Informing Mavi Unlimited Inc. immediately of any water leaks, or signs of water leaks as well as any missing grout or caulk in tiled areas.
- 3) Acknowledging that the Agent, Mavi Unlimited Inc. does not warrant or represent that the premise shall be free from mold or mold related problems. Furthermore, Owner shall hold Mavi Unlimited Inc. harmless from any and all claims or causes of action arising from mold or mold related problems.
- 4) Owner hereby releases Mavi Unlimited Inc. from any and all claims of consequential damage, such as damage to the property or claims of adverse health conditions associated with exposure to mold by anyone associated with the property, including, but not limited to, Owner, tenants (past, present, or future) or anyone else.

For Manager:

By \_\_\_\_\_ Date: \_\_\_\_\_  
Mavi Unlimited, Inc.

For Owner(s):

By \_\_\_\_\_ Date: \_\_\_\_\_

For Owner:

By \_\_\_\_\_ Date: \_\_\_\_\_



**THIS FORM WHICH IS APPROVED BY THE COLORADO REAL ESTATE COMMISSION HAS IMPORTANT LEGAL CONSEQUENCES AND THE PARTIES SHOULD CONSULT LEGAL AND TAX OR OTHER COUNSEL BEFORE SIGNING.**

**DIFFERENT BROKERAGE RELATIONSHIPS ARE AVAILABLE WHICH INCLUDE LANDLORD AGENCY, TENANT AGENCY, BUYER AGENCY, SELLER AGENCY OR TRANSACTION-BROKERAGE.**

**BROKERAGE DUTIES ADDENDUM  
TO PROPERTY MANAGEMENT AGREEMENT  
(Leasing Activities)**

**LANDLORD AGENCY**

**TRANSACTION-BROKERAGE**

This Brokerage Duties Addendum is made a part of the agreement for the management and leasing of the Property known as Street Address, City, State Zip Code (Property), which is dated Date between Brokerage Firm and Landlord (Agreement). This addendum supplements the Agreement.

**1. BROKER AND BROKERAGE FIRM.**

**1.1. Multiple-Person Firm.** If this box is checked, the individual designated by Brokerage Firm to perform leasing services for Landlord is called Broker. If more than one individual is so designated, then references in this Addendum to Broker shall include all person so designated, including substitute or additional brokers. The brokerage relationship exists only with Broker and does not extend to the employing broker, Brokerage Firm or to any other brokers employed or engaged or Brokerage Firm who are not so designated.

**1.2. One-Person Firm.** If this box is checked, the Broker is a real estate brokerage firm with only one licensed natural person. References to Broker or Brokerage Firm mean both the licensed natural person and brokerage firm who shall perform leasing services for Landlord.

**2. DEFINED TERMS.**

**2.1. Landlord:**

**2.2. Brokerage Firm:** Mavi Unlimited Inc.

**2.3. Broker:** Michael Hoover, shall act for or assist Landlord when performing leasing activities in the capacity as shown by the box checked at the top of this page 1.

**3. BROKERAGE RELATIONSHIP.**

**3.1.** If the Landlord Agency box at the top of page 1 is checked, Broker shall represent Landlord as a limited agent (Landlord Agent). If the Transaction-Brokerage box at the top of page 1 is checked, Broker shall act as a Transaction-Broker.

**3.2. In-Company Transaction – Different Brokers.** When Landlord and tenant in a transaction are working with different brokers, those brokers continue to conduct themselves consistent with the brokerage relationship they have established. Landlord acknowledges that Brokerage Firm is allowed to offer and pay compensation to brokers with Brokerage Firm working with a tenant.

**3.3. In-Company Transaction – One Broker.** If Landlord and tenant are both working with the same broker, the parties agree the following applies:

**3.3.1. Landlord's Agent.** If the Landlord Agency box at the top of page one is checked, the parties agree the following applies:

**3.3.1.1. Landlord Agency Only.** Unless the box in § 3.3.1.2 (**Landlord Agency Unless Brokerage Relationship with Both**) is checked, Broker shall represent Landlord as Landlord's Agent and shall treat the tenant as a customer. A customer is a party to a transaction with whom Broker has no brokerage relationship. Broker shall disclose to such customer Broker's relationship with Landlord.

**3.3.1.2. Landlord Agency Unless Brokerage Relationship with Both.** If this box is checked, or in the event neither box is checked, Broker shall represent Landlord as Landlord's Agent and shall treat the tenant as a customer, unless Broker currently has or enters into an agency or Transaction-Brokerage relationship with the tenant, in which case Broker shall act as a Transaction-Broker.

**4. BROKERAGE DUTIES.** Brokerage Firm, acting through Broker, as either a Transaction-Broker or a Landlord's Agent, shall perform the following Uniform Duties when working with Landlord:

- 4.1. Broker will exercise reasonable skill and care for Landlord, including, but not limited to the following:
  - 4.1.1. Performing the terms or any written or oral agreement with landlord;
  - 4.1.2. Presenting all offers to and from Landlord in a timely manner regardless of whether the Property is subject to a lease or letter of intent to lease;
  - 4.1.3. Disclosing to Landlord adverse material facts actually know by Broker;
  - 4.1.4. Advising Landlord regarding the transaction and advising Landlord to obtain expert advice as to material matters about which Broker knows but the specifics of which are beyond the expertise of Broker;
  - 4.1.5. Accounting in a timely manner for all money and property received; and
  - 4.1.6. Keeping Landlord fully informed regarding the transaction.
- 4.2. Broker shall not disclose the following information without the informed consent of Landlord:
  - 4.2.1. That Landlord is willing to accept less than the asking lease rate for the Property;
  - 4.2.2. What Landlord's motivating factors are to lease the Property;
  - 4.2.3. That Landlord will agree to lease terms other than those offered;
  - 4.2.4. Any material information about Landlord unless disclosure is required by law or failure to disclose such information would constitute fraud or dishonest dealing; or
  - 4.2.5. Any facts or suspicions regarding circumstances that could psychologically impact or stigmatize the property.
- 4.3. Landlord consents to Broker's disclosure of Landlord's confidential information to the supervising broker or designee for the purpose of proper supervision, provided such supervising broker or designee shall not further disclose such information without consent of Landlord, or use such information to the detriment of Landlord.
- 4.4. Brokerage Firm may have agreements with other landlords to market and lease their property. Broker may show alternative properties not owned by Landlord to other prospective tenants and list competing properties for lease.
- 4.5. If all or a portion of the Property is subject to a lease, or letter of intent to lease obtained by Broker, Broker shall not be obligated to seek additional offers to lease such portion of the Property.
- 4.6. Broker has no duty to conduct an independent inspection of the Property for the benefit of tenant and has no duty to independently verify the accuracy or completeness of statements made by Landlord or independent inspectors.
- 4.7. Landlord understands that Landlord shall not be liable for Broker's acts or omissions that have not been approved, directed, or ratified by Landlord.

**5. ADDITIONAL DUTIES OF LANDLORD'S AGENT.** If the Landlord Agency box is checked, Broker is Landlord's Agent, with the following additional duties:

- 5.1. Promoting the interests of Landlord with the utmost good faith, loyalty and fidelity.
- 5.2. Seeking rental rates and terms that are acceptable to Landlord.
- 5.3. Counseling Landlord as to any material benefits or risks of a transaction that are actually known to Broker.

## **6. MATERIAL DEFECTS, DISCLOSURES AND INSPECTION.**

**6.1. Broker's Obligations.** Colorado law requires a broker to disclose to any prospective tenant all adverse material facts actually known by such broker including but not limited to adverse material facts pertaining to the title to the Property, the physical condition of the Property, any material disclosed. These types of disclosures may include such matters as structural defects, soil conditions, violations of health, zoning or building laws, and nonconforming uses and zoning variances. Landlord agrees that any tenant may have the Property and Inclusions inspected and authorizes Broker to disclose any facts actually known by Broker about the Property. Broker shall not be obligated to conduct an independent investigation of the tenant's financial condition except as otherwise provided in the Agreement.

**6.1.1. Required Information to County Assessor.** Landlord consents that Broker may supply certain information to the county assessor if the Property is residential and is furnished.

### **6.2. Landlord's Obligations.**

**6.2.1. Landlord's Property Disclosure Form.** A landlord is not required by law to

provide any particular disclosure form. However, disclosure of known material latent not obvious) defects is required by law. Landlord  Agrees  Does Not Agree  N/A to provide a written disclosure of adverse matters regarding the Property completed to the best of Landlord's current, actual knowledge.

**6.2.2. Lead-Based Paint.** Unless exempt, if the improvements on the Property include one or more residential dwellings for which a building permit was issued prior to January 1, 1978, a completed Lead-Based Paint Disclosure (Rental) form must be signed by Landlord and the real estate licensees, and given to any potential buyer in a timely manner.

**6.2.3. Carbon Monoxide Alarms.** Landlord acknowledges that, unless exempt, if the Premises includes one or more rooms lawfully used for sleeping purposes (Bedroom), an operational carbon monoxide alarm must be installed within fifteen feet of the entrance to each Bedroom or in a location as required by the applicable building code, prior to offering the Property for sale or lease.

## 7. ADDITIONAL AMENDMENTS.

N/A - Enter if applicable

Date \_\_\_\_\_ Date \_\_\_\_\_

\_\_\_\_\_  
**Landlord**

\_\_\_\_\_  
**Landlord**

**Brokerage Firm's Name:** *Mavi Unlimited Inc.*

\_\_\_\_\_  
**Broker: Michael Hoover**

\_\_\_\_\_  
Date