

Property Management Agreement

Home Sweet Home Rentals, Inc.
90 East 100 South #103, St. George, UT 84770

Phone: (435) 619-1377, Fax: (435) 673-0886

This is a legally binding contract. Please read carefully before signing.
No changes may be made to this agreement without the prior consent of Home Sweet Home Rentals, Inc.

1. **The Agreement:** The agreement for property management services is effective _____ (“Effective Date”) and is entered into by and between Home Sweet Home Rentals, Inc., a Utah Corporation (Hence forth known as the Company) and _____ (“Owner”). This Agreement shall commence on the Effective Date and shall be effective by mutual agreement of the parties.
2. **Home Sweet Home Rentals, Inc.:** Be it known that the owner hereby employs Home Sweet Home, Inc. as company/agent to rent, lease, operate and professionally manage the property described as _____, hereinafter called the property.
3. **Termination of the Agreement:** This Agreement may be terminated at any time, by either party by giving a 30 day written notice. If this contract is cancelled by the property owner while a tenant is in the property, owner agrees to pay four months of property management fees to the Company as compensation to the Company for releasing the rented property to the owner.
4. **Advertising:** Owner agrees to pay for all advertising as needed to get the home rented. Home Sweet Home Rentals, Inc. uses Pioneer Shopper to advertise vacant homes at average cost of \$12/week. This cost is paid for out of your owners maintenance account. Home Sweet Home Rentals, Inc. also uses its website HomeSweetHomeSG.com to advertise vacant homes. About 40% of our renters come from the website. Owner agrees and accepts that it may take up to 7 days to complete taking pictures and finish their properties internet web page.
5. **Management fee:** Owner agrees to pay the company/agent a professional property management fee of 10% of the scheduled gross income. A management fee is not charged during vacancy periods.
6. **Start-up Fee:** Owner agrees to pay the following start-up fees in advance if the property is vacant or going to be vacant when the Company begins managing the property. If the property has a tenant these fees will be collected from the first months rent:
 - A. **Website Fee:** Owner agrees to pay a one time, \$100 website fee for each property (not to exceed \$200). This charge covers the time spent creating and maintaining the web-page for the owners properties. This charge is non-refundable.
 - B. **Maintenance Account fund:** Owner agrees to pay the \$200 maintenance account balance in advance, upon signing this agreement. This fund will be refunded to the owner upon cancelling or the expiration of this agreement. Please see section 15 for more information.
7. **Hourly Rate:** Work that is done for the owner, outside of the normal scope of this agreement, will be provided at the rate of \$50/man-hour. This work could include, but is not limited to, court appearances, attorney meetings, meeting with repair people at the home at the owner’s request, additional requested inspections of the home, etc.

8. **Mortgage Payments, Foreclosure or Notice of Default:** The owner agrees to make all mortgage payments on this rental property on time. The owner agrees to immediately notify Home Sweet Home, Inc if they become in default on their rental property mortgage payments.
9. **Condition of the Property:** Owner agrees that the home will be in move-in condition before the Company will begin working on getting the property rented.
10. **Sale of the Property:** Owner agrees not to put their property up for sale while there is a tenant in the property, without first consulting Home Sweet Home Rentals, Inc.
11. **Documents:** Owner agrees to furnish the Company with all necessary documents and records required or necessary to properly manage the property.
12. **Authorization by the owner:**
 - A. The owner hereby authorizes the Company to enter into rental contracts for tenant occupancy of the above-described property.
 - B. It is the company's policy to obtain leases that are one year in length. Leases with tenants may be shorter or longer than one year, unless expressed in writing by the owner. All leases become month-to-month agreements upon the expiration of the lease; unless the Company is notified in writing of the owners desire to have the tenant sign a new lease.
 - C. Owner agrees to allow the Company to advertise the property for rent, to display signs thereon and to lease or rent the same.
 - D. Owner agrees to allow the Company to sign, renew, extend and/or cancel lease agreements for the property or any part thereof and to settle or compromise with tenants with regards to lease negotiations, tenant move out charges or eviction procedures if necessary with no liability what-so-ever to the Company.
13. **Handymen / Repair People:** The Company shall not be responsible or liable to owner for any act, default, or negligence of any handymen or repair people, or for any error of judgment or mistake of law or in connection with employment, conduct or discharge except that the Company shall be responsible for any such act, default, or negligence that is due directly to its own gross negligence or intentional misconduct in the hiring or supervising of any such or off-site personnel.
14. **Maintenance supervision:** Owner agrees to allow the Company to supervise all maintenance, repairs and cleaning for the property as deemed necessary to protect the property from damage or to maintain service to the tenants as called for by their rental contract or to purchase materials or supplies if necessary. Whenever possible the Company agrees to contact the owner if any potential repair cost exceeds \$200.
15. **Maintenance account:**
 - A. As a convenience to the owner and in an effort to simplify the need for the owner to send checks or reimbursements to the Company for every small expense incurred for the property, **the owner agrees to maintain a balance of \$200 (two hundred dollars) for each property/unit up to two units** in the property management account with the Company. **For three or more units owner agrees to maintain a balance of \$500 total (no more, no less)** in the property management account with the Company. This account will be maintained at the \$200 level by reimbursing the account from the properties rental income after the funds are accessed for repairs, advertising, etc. to the property.
 - B. All funds held in an account for the owner may be used to cover expenses for any property owned by the owner that may arise such as maintenance, repairs, utilities, advertising etc.

- C. Owner agrees to maintain/repair all appliances that they supply to good working order unless they have other agreements with the Company. This is meant to include but not limited to water softeners', refrigerator water dispensers and ice makers, etc.
 - D. **Hot Water Heater repairs/replacement and Heating & Air Conditioning Repairs:** Owner agrees that hot water and working heating or cooling is essential to maintaining a rental property, therefore the owner agrees that these repairs will be done immediately, even if the repair is on a weekend or holiday and the repair person charges extra for service.
 - E. If owner is to be contacted about repairs other than heating and air conditioning repairs or hot water heater repairs, owner agrees to authorize repairs within no more than three days. By failing to authorize needed repairs within three days, owner is agreeing to the repairs suggested by the Company and said repairs will be completed by the Company with no liability to the Company.
 - F. Owner is aware that our handymen and repair people have a minimum charge to show up for a potential repair. The trip charge or diagnosis charge is billed even if no work or minimum work is done at the property. A charge may be as little as \$35 or as much as \$80 or more. Owner agrees to pay all such charges with no obligation to the Company.
 - G. Owner agrees to reimburse the Company upon demand, to the full extent, for all monies advanced by Company for the owner or the property, which are necessary to carry out the terms of the agreement.
 - H. When management services are discontinued the owners remaining reserve balance less any outstanding bills, will be returned to the owners thirty days after all contract termination procedures have been completed. This will insure that all of the bills and needs of the property have been received and are taken care of properly.
16. **Property inspections:** The Company agrees to inspect the owner's property, inside and out, and provide a completed inspection sheet once every 90 days.
17. **If legal action is required:**
- A. The Company shall, in behalf of the owner, execute and serve notices and demands on delinquent tenants as company/agent may deem necessary or proper.
 - B. The Company shall institute, settle, or compromise any legal action and make use of such methods of legal process against a delinquent tenant or the property of a delinquent tenant as may be necessary to enforce the collection of rents or other sums due from the tenant.
 - C. Additionally, the Company is to enforce any covenants or conditions of any lease or month-to-month rental agreement and to recover possession of all or any part of the property.
 - D. Owner agrees to pay all legal fees, if any, for actions taken in this section.
18. **Rents & fees:**
- A. The Company may collect rents as they become due and give receipts, raise or (upon consultation with the owner) lower rents as conditions may warrant and make concessions as inducements for prospective tenants, if necessary, to get the property rented and require and collect tenant security deposits.
 - B. Tenant security deposits are held in the Home Sweet Home Rentals, Inc. Property Management trust account. Current state law will not allow interest to be paid on trust funds to the owner, the Company, or the tenant.

- C. Payments to the owner are made from the revenues collected and the Company shall pay all items, bills, or fees with respect to the property including the compensation to the Company from these revenues first. After such payments, the Company shall remit any remaining balance of revenues to the owner concurrently with the delivery of the monthly financial report / statement. If a check to the owner is “lost in the mail”, owner agrees to pay ½ of the “stop payment fee” on the lost check.
- D. Late fees and other fees: All late fees and any other fees are to be split evenly between the owner and the Company. The Company’s portion of the late fees is to be considered addition compensation. All uncollected fees are to be considered “lost income” and carry no liability what-so-ever to the owner or the company/agent.

19. Indemnification Of Company:

- A. Except for the gross negligence or willful misconduct of the Company, the owner agrees to indemnify and hold harmless the Company against all costs, expenses, attorney’s fees, suits, liabilities, and damages from or connected with the management of the property by the Company.
- B. The Company shall not be liable for any damage to the property caused by tenants, vandals, acts of God or others.
- C. The Company shall not have any liability, regarding known or unknown pre-existing damages or hazardous conditions in or around the property.
- D. The Company shall not be liable for possible public or tenant liabilities.

20. **Emergencies:** Owner agrees that during an emergency involving their property, if the Company cannot get a hold of the owner, the owner agrees to allow the owners of the Company to use their best judgment in handling the emergency. This includes but is not limited to hiring plumbers, HVAC Technicians, locksmiths, etc, at premium nighttime rates, if needed. Owner agrees to pay for all charges incurred and hold the Company harmless from liability in these emergency situations.

21. Insurance:

- A. During the term of this agreement the owner shall obtain, (if not presently existing), and maintain, as part of this agreement, reasonable insurance coverage for bodily injury, death, property damage and comprehensive public liability, as well as, fire and extended coverage hazard insurance equal to the full replacement cost of the structure and other improvements on the property.
- B. The stated insurance shall be maintained in full force during the full term of the agreement. Owner shall notify the Company no less than thirty (30) days prior to insurance cancellation if insurance coverage is canceled for any reason. All payments for insurance coverage are the sole responsibility of the owner. Upon request the Owner shall deliver to the Company a certificate evidencing such insurance coverage.

22. **Mold Disclosure, Drug Manufacturing, Chemical Contamination And Waiver:** Owner agrees to defend, indemnify and hold harmless Home Sweet Home, Inc. (its officers, directors, employees, agents, managers, and affiliates) against any and all claims, actions, causes of action, demands, liabilities, losses, damages, and expenses of any kind, including but not limited to attorney’s fees and court costs, that may be made against Home Sweet Home, Inc., (its officers, directors, employees, agents, managers, and affiliates) as a result of or arising out of the growth or proliferation of mold or mildew, drug manufacturing or chemical contamination caused by actions or negligence of Resident or any guest or occupant living or having lived within the premises. Owner further agrees that Home Sweet Home, Inc., (its officers, directors, employees, agents, managers, and affiliates) shall not be liable for any damages caused to Resident, Occupant or Guest or any property within the premises resulting from mold or mildew, drug manufacturing or chemical contamination. Owner shall indemnify and hold harmless Home Sweet Home, Inc., (its officers, directors, employees, agents, managers, and affiliates) from any liability relating to mold or mildew, drug manufacturing or chemical

contamination resulting in damages to any person or property within Owner's premises regardless of the source of the mold or mildew, drug manufacturing or chemical contamination.

- 23. **Home Sweet Home Rentals, Inc. Liability Release:** Home Sweet Home, Inc. (its officers, directors, employees, agents, managers, and affiliates) are trained in the management of real estate. Home Sweet Home, Inc. (its officers, directors, employees, agents, managers, and affiliates) are not trained to provide the Owner with identification of mold, mildew, prior drug manufacturing, prior drug use or chemical contamination. Accordingly, Home Sweet Home, Inc., (its officers, directors, employees, agents, managers, and affiliates) will not make any representations or warranties regarding the conditions of this property including, but not limited to: mold, mildew, prior drug manufacturing, prior drug use or chemical contamination.
- 24. **Changes To This Agreement:** This agreement is subject to change by the Company with 30 days written notice to the owner.

The drafting, execution, and delivery of this Agreement by the parties have been induced by no representations, statements, warranties or agreements other than those expressed in this Agreement. This Agreement embodies the entire understanding of the parties, and there are no further or other agreements or understandings, written or oral, in effect between the parties relating to the subject matter hereof unless expressly referred to in this Agreement. By signing here owner agrees that they have read this contract and are in agreement with said term and conditions.

OWNER'S SIGNATURE _____ **Date** _____

Name checks should be made out to: _____

Mailing Address _____

City _____, State _____ Zip _____

Cell Phone: _____

Home Phone: _____

Work Phone: _____ Fax: _____

Best number to reach you _____

Email address: _____

Do you preferred to be contacted by phone or email? _____

How much rent were you asking for or getting for your property? _____

Do you allow pets? _____

Home Sweet Home Rental, Inc., Don Glasgow, Representative.
Electronically signed on November 23, 2009

Request for Taxpayer Identification Number and Certification

**Give form to the
 requester. Do not
 send to the IRS.**

Print or type See Specific Instructions on page 2.	Name (as shown on your income tax return)	
	Business name, if different from above	
	Check appropriate box: <input type="checkbox"/> Individual/Sole proprietor <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Limited liability company. Enter the tax classification (D=disregarded entity, C=corporation, P=partnership) ▶ <input type="checkbox"/> Exempt payee <input type="checkbox"/> Other (see instructions) ▶	
	Address (number, street, and apt. or suite no.)	Requester's name and address (optional)
	City, state, and ZIP code	
List account number(s) here (optional)		

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Social security number
or
Employer identification number

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. citizen or other U.S. person (defined below).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. See the instructions on page 4.

Sign Here	Signature of U.S. person ▶	Date ▶
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General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

A person who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee. If applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

Definition of a U.S. person. For federal tax purposes, you are considered a U.S. person if you are:

- An individual who is a U.S. citizen or U.S. resident alien,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States,
- An estate (other than a foreign estate), or
- A domestic trust (as defined in Regulations section 301.7701-7).

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,