

Phone: (314) 771-3509

**NEIGHBORHOOD ENTERPRISES, INC**

Fax: (314) 776-3703

**2752 Lafayette Avenue**

**ST. LOUIS, MISSOURI 63104-2040**

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## **PROPERTY MANAGEMENT AGREEMENT**

This agreement is made and entered into this **1st day of August 2005** between (Owner) and Neighborhood Enterprises, Inc (N.E./Manager) The Owner hereby employs the services of N.E. to manage, operate, control and rent or lease the following described property: ,

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**Type of Agency** (from choices allowed by the Missouri Real Estate Commission): **Seller's or Landlord's Limited Agent**. When this agreement was signed the Owner (Landlord) was given a copy of the Missouri Broker Disclosure Form.

The Owner and N.E. agree to the following Terms and Conditions:

### **Responsibilities of Manager**

#### ***Collection and Disbursement of Monies:***

N.E. agrees to collect rents, late fees, and misc. tenant charges as they become due; to render to the Owner a monthly accounting of all income received and expenses paid; and to remit to the Owner the monthly statement and all income, less any sums paid out, by the 10<sup>th</sup> day of the subsequent month. Prepaid rent will be held in N.E.' general escrow account and remitted to the Owner in the month for which payment is intended. Tenants' security deposits will be held and maintained by N.E. in a separate escrow account.

#### ***Maintenance and management of Property:***

N.E. agrees to clean, decorate, maintain, and repair the property and to hire and to supervise all employees and other needed labor. Repairs or Capital improvements over costing more than \$3000 or two months' gross building rent, whichever is less, must be authorized by the Owner.

N.E. agrees to keep the property clean. In 1-4 family buildings, this is done by rotating the responsibility among the tenants of the building. If the tenants of said buildings fail to clean, N.E. cleans and bills the tenant. N.E. also bills tenants for disabled cars, parking on grass, rent suits, lockouts, tenant damage, pets, etc. These charges are all credited to the Owner.

#### ***Advertisement and Legal Proceedings:***

N.E. agrees to advertise for tenants, screen tenants, and select suitable tenants. Neighborhood Enterprises will set rents that, in its opinion at the time of the rent negotiations with the tenant, reflect the market conditions and approximate rents of comparable rental properties. N.E. agrees to rent and/or lease the property; to sign, renew and to cancel rental agreements and/or leases for the property or any part thereof; to sue and recover for rent and for loss or damage to any part of the property and/or furnishings thereof; and, when expedient, to compromise, settle, and release any such legal proceeding or lawsuits.

### **Compensation of Manager**

The Owner agrees to pay N.E.:

- **six %** of collected rents plus \$15/unit and \$15 per building or statement every month.

- A **rent-up fee** of \$150 per apartment during first year of mgt; no rent-up fee is charged in subsequent years.
- A **new management set-up fee** of \$35 per building and \$10 per unit.
- **Payments to third parties** for:
  - Advertisement of vacancies, occupancy permits, utility bills: billed at cost.
  - **Rent suits** are billed at N.E.'s cost (currently **\$190** for a single person; **\$230** for a couple). If the court refunds part of the filing fee (usually less than \$25) it is donated to Adequate Housing for Missourians or other charity.
  - **Contract work:** 10%, or a minimum of \$5, is added to most bills. Jobs over \$500 which take minimal supervision are marked up between 3% and 10%.
- **N.E.' payroll employees for maintenance work:** For workers with company truck and tools, N.E. bills the Owner 2.2 times the workers' hourly rate (current rate range: \$8.00 to \$18.75). Helpers without vehicles are billed at 1.7 times their hourly rate. Larger jobs are discounted. Jobs between \$1,000-\$1,999 are discounted 5%, Jobs at \$2,000 and above are discounted 10%. Commonly used materials are stocked & billed at retail. Materials bought specifically for a job are marked up 10%.
- Owner expenses in excess of collected rent are due upon receipt of said month's statement. If, by agreement with N.E. the Owner carries the balance due forward, the Owner will be charged 1% per month on the balance owed.
- **Fire and Extended Insurance Coverage Insurance(FEC):** FEC is available to Owner through a blanket policy arranged by N.E. The policy year is from August through July.

**Liability of Manager:** N.E. does not carry liability insurance itself. N.E. agrees to carefully manage the herein-described property; however, the Owner agrees to be responsible for liability for any injury to any tenant or guest upon the property.

**Term of Agreement:** This Agreement shall be effective as of the 1st day of August, 2005, and shall expire on the 31st day of July, 2006. Upon expiration of the above initial term, this Agreement will automatically be renewed and extended for a like period of time unless terminated in writing by either party by providing written notice thirty (30) days prior to the date of such renewal. This Agreement may also be terminated by mutual agreement of the parties at any time. Upon termination the Owner will pay to N.E. any fees, commissions and expenses due N.E. under terms of this Agreement.

The Owner and N.E. hereby acknowledge that this document represents the entire Agreement between them and execute this Agreement on the date written above.

\_\_\_\_\_,  
**Owner,** Date

**Owner Address:** 2752 Lafayette, St. Louis, Mo. 63104

**Owner phone, fax, e-mail:** 771-3509,  
**Owner SS# or Fed ID#** 43-1622145

\_\_\_\_\_,  
 James Roos, President, Neighborhood Enterprises. Inc. Date