



PROPERTY MANAGEMENT AGREEMENT  
CAPSTONE QUARTERS

This Management Agreement made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2019 between \_\_\_\_\_ hereinafter called "Owner" and **GREEN STREET REALTY**, hereinafter called "Agent".

1. Owner hereby employs Agent as the sole and exclusive management agent of the property/properties located:

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2. **Collection and Remission of Income.** Agent shall collect the rents and other income from the buildings promptly when such amounts come due and shall deposit all such amounts in a special bank account maintained by the Agent for the Owner. Such monies of the Owner shall not be mingled with the funds of the Agent for the Owner. For each property, the Agent shall allow the Owner access to our online portal that will allow the Owner to run the reports listed in Addendum A. If the Owner is having difficulty accessing or running reports on their own, they may request that Agent run reports and send provide them to the Owner. These reports may include a monthly statement of Income, Expense, Itemized Expense, Aged Accounts Receivable, Aged Accounts Payable and a Balance Sheet. Agent shall on a monthly basis, when rent income has been collected by the Agent, pay to the Owner all amounts in such bank account, except a reasonable balance for working cash (Reserve).

3. **Maintenance and Operation.** The Agent is authorized and required, at the expense of the Owner, to purchase necessary supplies; to make contracts for electricity, gas, telephone, window cleaning, refuse disposal, vermin extermination and for any other utilities or service which the Agent shall reasonably consider advisable; and to make ordinary repairs and alternations, provided that expenditures for any repair or alteration shall not exceed the sum of **\$250** per rental unit without the written consent of owner unless they are made under circumstances which the Agent shall reasonably consider to constitute an emergency. Owner shall be able to examine, copy and review bills of managed properties at any time at office of Agent. Owner agrees to maintain property and extended coverage insurance on the Building in the amount of at least equal to the replacement cost of the Building.

**Maintenance Reserve.** Owner agrees to allow Agent to hold in reserve funds of at least **\$150** per unit to cover any maintenance issue that may need to be addressed during management of the Owner's properties. The maintenance reserve will be accounted for on the monthly rental owner statement, but held by Agent during term of agreement.

The Agent is authorized and shall, on behalf of the Owner, pay special assessments, condo fees, yearly rental registration fees, advertisement, bank fees, water and utility charges and all other expenses of operation of the condo. However, if any tenant is required to pay any or all of such expenses pursuant to its lease, said tenant is solely responsible for paying such expense or expenses.

For the management of the maintenance and operation of the building, the Owner shall pay to the Agent **8%** of the collected gross rents and any other income collected by Agent. In addition, Owner agrees to reimburse Agent twice per year for the marketing expenses associated with the advertising of their unit. **Marketing costs will be paid every 6 months (regardless of leasing status) and is equal to monthly HOA fee for each installment or an amount that will be determined by the Capstone Quarters Board of Directors.** If extraordinary repairs are made to the building or if the building is extensively reconstructed or if the Agent is required to perform services not a part of the usual services performed by the managing Agent under this Agreement, additional compensation in an amount to be agreed upon between the parties shall be paid; provided that, prior to performing or arranging any services or activity which should result in such additional compensation, the Agent shall notify the Owner. (Eviction or collection of past due rent of current tenant at time of signing of Management Agreement constitutes additional services beyond normal services and activities and will result in additional compensation being due to Agent.)

4. **Employees.** The Agent shall employ, discharge, supervise and pay on behalf of the Owner all servants, employees or contractors considered by the Agent as necessary for the efficient management of the building. Agent shall not be liable to the Owner or to others for any act or omission on the part of such employees if the Agent has taken reasonable care in their employment and supervision.

5. **Indemnification and Insurance.** The Owner shall hold the Agent harmless from all liability for damages in connection with the management of the Buildings and from liability for injuries suffered by any person while in the Buildings or on the premises upon which the Buildings are located unless deriving from the negligent or intentional acts or omissions of agent or employees of agent. The Owner shall carry, at its own expense, public liability insurance with the Agent designated as one of the insured in adequate amounts to protect the interest of the Owner and the Agent. The master insurance policy can be viewed on the website ([www.capstonequarters.com](http://www.capstonequarters.com), under the contact tab). Please have your insurance agent review coverage in order to determine adequate interior coverage needed. Agent shall insure that all employees and independent contractors have sufficient workman's compensation insurance.

6. **Term.** This Agreement shall become effective on July 31, 2020 and shall continue in full force and effect until and including **7/31/2022**.

7. **Early Termination.** (1) In the event of a bona fide sale or demolition or total destruction of the building, Owner or Agent may terminate this Agreement upon not less than 30 days notice by registered mail. (2) If a petition in bankruptcy is filed by either the Owner or the Agent, or if either shall make an assignment for the benefit of the creditors or take advantage of any insolvency act, either party may terminate this Agreement by sending written notice by registered mail to the other party. (3) If the Owner shall fail to comply with any rule, order determination ordinance, or a law of any federal, state or municipal authority, the Agent may terminate this Agreement upon ten (10) days written notice by registered mail to the owner.

Agent shall have the right to assign this agreement for said premises or any part thereof with the written consent of Owner endorsed hereon, which consent shall not be unreasonably withheld.

Notices. Notices hereunder shall be sent to the Agent c/o Green Street Realty, 510 S Neil St, Champaign, Illinois 61820. Notices to the Owner shall be sent to:

\_\_\_\_\_  
All mailed notices shall be deemed delivered on date of postmark.

OWNER

AGENT

GREEN STREET REALTY

BY: \_\_\_\_\_

BY: \_\_\_\_\_  
Allie Thompson/Property Manager

Owner SS # or EIN #: \_\_\_\_\_

Address: \_\_\_\_\_

Phone #'s: \_\_\_\_\_

Email: \_\_\_\_\_

## **GREEN STREET REALTY LIST OF OPERATIONAL DUTIES**

### **Management**

1. Negotiate contracts
2. Inspect properties
3. Create Work Orders and paper trail
4. Define capital expenditure specifications
5. Bid projects
6. Get authorization forms signed
7. Allow Owner access to monthly cash/management reports
8. Attend owner meetings as needed
9. Create tenant rosters/Rent Rolls
11. Create property manuals
12. Manage key systems
13. Maintain tenant files

### **Marketing**

1. Negotiate lease listing
2. Determine rental price
3. Advertise rental space (newspaper, MLS, web-site)
4. Show space
5. Qualify tenants
6. Negotiate lease
7. Get space ready for tenant
8. Web-site and e-mail response

### **Accounting**

1. Set up accounting system on computer and allow Owner to view
2. Maintain checking account for collection and forwarding of rents to owner
3. Collect rent and keep track of accounts receivable
4. Pay limited bills and keep track of local maintenance & utility accounts payable
5. Manage cash flow for petty cash/maintenance account
6. Maintain paper files for AR/AP