

PROPERTY MANAGEMENT AGREEMENT

Document updated:
February 2016



The pre-printed portion of this form has been drafted by the Arizona Association of REALTORS®. Any change in the pre-printed language of this form must be made in a prominent manner. No representations are made as to the legal validity, adequacy and/or effects of any provision, including tax consequences thereof. If you desire legal, tax or other professional advice, please consult your attorney, tax advisor or professional consultant.



1. PARTIES

1. Owner: _____
2. Broker: 4:10 Real Estate, LLC acting through _____
FIRM NAME SALES PERSON

2. EMPLOYMENT

- 3. Owner employs and appoints Broker as Owner's sole and exclusive agent to lease, operate and manage the Property located at:
- 4. Property Address: _____
- 5. City: _____ County: _____ AZ Zip: _____
- 6. Legal description: _____ ("Property"), and any personal property
- 7. thereon as set forth on the attached addendum or _____, upon the following terms.
- 8. **Addenda Incorporated:** The following addenda are attached hereto and incorporated herein by reference:
- 9. **Addendum 1, Addendum 2, Addendum 3, Addendum 4**
- 10. _____
- 11. **Term:** This Agreement shall commence on the _____ day of _____, _____ ("Commencement
- 12. Date") and shall end on the _____ day of _____, _____ ("Termination Date"). This
- 13. Agreement shall renew automatically for a period of 2 months years unless otherwise cancelled or terminated
- 14. as provided for herein. Broker shall send Owner a reminder notice at least thirty (30) days prior to each renewal date.
- 15. This Agreement shall be immediately and automatically terminated by: (i) the sale, transfer or other disposition of legal and beneficial
- 16. title to the Property, except for a transfer of the Property to a trust or other legal entity controlled solely by Owner; (ii) condemnation
- 17. of the Property or (iii) complete destruction of the Property.
- 18. **Cancellation:** Either party may cancel this Agreement upon thirty (30) days notice or _____.
- 19. If Owner cancels this Agreement prior to the Termination Date or any extension thereof, Owner shall pay Broker an early
- 20. cancellation fee of remainder of management fees owed for current lease.
- 21. Broker may cancel this Agreement immediately by notice to Owner in the event that: (i) a notice of trustee's sale or judicial
- 22. foreclosure is recorded against the Property; (ii) Owner fails or refuses to comply with any rule, order, determination, code, ordinance
- 23. or law of any governmental authority; (iii) Owner refuses to correct a hazardous condition on the Property.
- 24. Either party may cancel this Agreement immediately by notice to the other party in the event a petition in bankruptcy is filed by or
- 25. against either Owner or Broker, or in the event that either makes an assignment for the benefit of creditors or takes advantage of any
- 26. insolvency act.
- 27. Upon cancellation of this Agreement, Owner shall assume all contractual obligations and payment of all outstanding amounts due
- 28. pertaining to the Property or arising from this Agreement. Broker may withhold funds as permitted by law to pay any amounts due,
- 29. expenses previously incurred but not yet invoiced, and to close accounts. Broker shall deliver to Owner the balance of any monies
- 30. due Owner, held by Broker, as well as a final accounting reflecting the balance of income and expenses as required by law.
- 31. **Tenant Deposits Upon Termination/Cancellation:** If this Agreement is terminated or cancelled for any reason other than trustee's
- 32. sale, judicial foreclosure or other forfeiture by Owner, any refundable tenant deposits will be forwarded to the Owner after notice has
- 33. been given to the tenant as required by law. If this Agreement is terminated due to trustee's sale, judicial foreclosure or other
- 34. forfeiture by Owner, any refundable tenant deposits due tenant shall be released to the tenant.

>>

Initials>

OWNER	OWNER



3. BROKER RESPONSIBILITIES

- 35. Management and Leasing: Broker shall use its best efforts to:
36. (i) Manage, supervise the maintenance of, and operate the Property.
37. (ii) Lease or rent the Property, including negotiating for and entering into leases on behalf of Owner, for terms not in excess of:
38. _____ □ days □ month(s) □ year(s) and rent in the amount of \$ _____ or as otherwise agreed
39. upon or accepted by Owner;
40. (iii) Collect rents, deposits, and other fees.

- 41. Marketing: Broker may advertise the Property for lease and place signs on the Property if permitted by the applicable rules and
42. regulations or governing homeowners' association. Owner [X] does □ does not authorize Broker to install and use a lockbox on the
43. Property containing the key to the Property. Owner acknowledges that a lockbox will permit access to the Property by other brokers,
44. with or without potential tenants. Owner further acknowledges that, from time to time, unauthorized persons may have gained access
45. to properties using lockboxes, and Broker is not insuring Owner or any occupant against theft, loss or vandalism resulting from any
46. access. Owner agrees that the Property will not be advertised through MLS unless Owner executes and delivers to Broker a
47. separate written agreement for listing the Property in the MLS.

(OWNER'S INITIALS REQUIRED) _____ OWNER _____ OWNER

- 49. Tenant Performance: Broker shall make reasonable efforts to screen potential tenant(s) and to collect rents, but does not guarantee
50. future performance of tenant(s) and is not obligated to refund to Owner any compensation or commissions in the event of tenant breach.

- 51. Repair and Maintenance: Broker shall assist Owner in the employment and supervision of all labor and contractors required for the
52. repair and maintenance of the Property at Owner's expense. All labor and contractors shall be deemed sub-contractors of the Owner
53. and not the Broker unless otherwise agreed in writing, and Broker shall not be liable or responsible for their acts, defaults or
54. negligence. Owner shall approve all expenditures in excess of \$ 300.00 for any one item, including repairs to be paid
55. by deductions from tenant's deposits, except that no Owner approval shall be required for recurring operating expenses or
56. emergency repairs if in the sole discretion of the Broker such repairs are necessary to protect the Property from damage or to
57. maintain services to the tenant as required by the lease(s).

- 58. Property Management Trust Account: Broker shall deposit all Property rents, miscellaneous income, tenant security deposits and
59. Owner's reserve funds into Broker Property Management Trust Account(s) ("PMTA"), which shall be maintained as required by law.
60. The PMTA may earn interest, which shall be paid to Broker as additional compensation for Broker's services.

- 61. Disbursements: Broker shall disburse to Owner by the 15th day of the month or the first business day thereafter, rent and
62. other funds due and collected, after deducting all fees, bills or other amounts due, Broker compensation, commissions, and other
63. operating expenses and funds required to maintain the reserve account. Broker shall not disburse tenant's refundable security
64. deposits, prepaid rent or other prepaid funds to Owner until earned, unless instructed otherwise by Owner.

- 65. Accounting Report: Broker shall issue Owner a report with an accounting of all funds collected and/or disbursed on the Owner's
66. behalf, including the balance of the tenant security deposits

- 67. [X] monthly □ quarterly □ annually □ other _____ or as otherwise required by law.

- 68. Tax Reporting: Broker shall report Owner income as required by law and issue Owner an IRS 1099 Miscellaneous Income form for
69. all funds received for tax purposes. Owner agrees to complete a W-9 or other applicable income reporting form with an accurate
70. Social Security Number or Tax Identification Number and address, in addition to any other requested information or required tax
71. reporting form, and to notify Broker if changes require the information to be updated.

- 72. Personal Information: Broker shall comply with all applicable laws concerning the retention and disclosure of personal and financial
73. information obtained from both Owner and tenant.

4. OWNER REPRESENTATIONS AND RESPONSIBILITIES

- 74. Owner Representation: Owner represents that (i) Owner has the legal authority to lease the Property, (ii) no other real estate broker
75. represents Owner in connection with the Property; (iii) there is no pending or anticipated sale, exchange, transfer, foreclosure,
76. bankruptcy or other proceeding that could affect the ability to lease the Property. Owner shall immediately notify Broker of any
77. changes in these representations.

- 78. Disclosure: Owner shall disclose in writing all material (important) facts regarding the Property to Broker, including all physical,
79. environmental, and other conditions that affect the Property and any violations of applicable building, zoning, fire, health, and safety
80. codes. Owner shall immediately notify Broker of any changes in the disclosures made herein or otherwise. Owner acknowledges that
81. the failure to make legally required disclosures may result in civil liability.

(OWNER'S INITIALS REQUIRED) _____ OWNER _____ OWNER

Initials>

Table with 2 columns: OWNER, OWNER



- 83. **Lead-Based Paint:** Owner shall comply with all lead-based paint laws. If the Property was built prior to 1978, Owner shall notify Broker of any
- 84. known lead-based paint ("LBP") or LBP hazards in the Property and provide Broker with any LBP risk assessments or inspections of the Property.
- 85. Further, Owner shall use EPA Lead-Safe certified contractors to perform renovation, repair or painting projects that disturb lead-based paint.
- 86. **Swimming Pool Barrier Regulations:** Owner, at Owner's expense, shall comply with all applicable state, county, and municipal
- 87. swimming pool barrier laws or regulations prior to the Property being occupied.
- 88. **Documentation:** Owner shall provide to Broker copies of all relevant documents pertaining to the Property, including but not limited
- 89. to, covenants, conditions, and restrictions (CC&Rs), homeowners association governing documents, service contracts, leases/rental
- 90. agreements, notices of pending special assessments, association fees, claims or litigation, personal property lists and any other
- 91. agreements, documents, studies, or reports relating to the Property.
- 92. **Responsibility to Tenant:** Owner shall fulfill all Owners' obligations to tenant pursuant to the lease/rental agreement and as
- 93. required by law.
- 94. **Authorized Access:** Owner shall not visit Property or contact tenant without five (5) business days or _____ business days prior
- 95. notice to Broker to allow Broker sufficient time to provide tenant with any legally required notice. Owner shall not enter the property
- 96. unless accompanied by the Broker.
- 97. **Inquiries/Negotiations:** Owner shall refer all inquiries regarding the Property, including inquires regarding lease or lease renewals,
- 98. to Broker and all negotiations regarding the Property shall be conducted solely by or under the direction of Broker.
- 99. **Sale or Transfer of Property:** In the event Owner decides to sell, exchange or transfer the Property, Owner shall notify Broker immediately.
- 100. **Foreclosure:** Owner shall pay all loan obligations, property taxes, association fees and any other obligations which could lead to a
- 101. foreclosure action. Owner shall notify Broker and tenant within ten (10) days after receipt of notice of any trustee's sale or judicial
- 102. foreclosure related to the Property, or as otherwise prescribed by law.
- 103. **Broker's Employees:** Owner shall not hire or contract with any employee of Broker to do any work or perform any service related to
- 104. the Property without Broker's written consent.
- 105. **Registration, Licensure and Tax:** Owner, at Owner's expense, shall register the Property with the County Assessor and, if residing
- 106. out-of-state, designate a statutory agent who lives in Arizona to accept legal service on behalf of Owner. Owner agrees to purchase
- 107. any business license or other license required by the applicable governmental authority and pay any fees or taxes when due.
- 108. **Operating Reserve Account:** Owner shall maintain a reserve account operating balance of \$ 300.00 in the PMTA to meet
- 109. obligations in the event of a shortage of current rental income or emergencies. Broker, in Broker's sole discretion, may, but shall not
- 110. be obligated to, advance Broker funds on behalf of Owner to keep Owner's account open or to avoid charges for an insufficient
- 111. minimum balance. Owner shall reimburse Broker for all advanced funds, interest or fees upon demand and remit any funds to Broker
- 112. necessary to maintain reserve account at the agreed upon amount.
- 113. **Insurance:** Owner, at Owner's sole expense, shall maintain adequate Property insurance, public liability insurance and any other
- 114. necessary insurance on the Property, in an adequate amount to protect the interests of Owner and Broker. Owner shall name Broker
- 115. as co-insured on all insurance policies covering the Property and provide Broker with Certificates of Insurance or copies of the
- 116. policies. Such insurance shall remain in full force and effect during the term of this Agreement and any renewals thereof.
- 117. **Legal and Tax Advice:** Owner recognizes, acknowledges, and agrees that Broker is not qualified or licensed to provide legal or tax
- 118. advice. Only an attorney is qualified to represent the Owner in court. Owner shall consult with an attorney, professional tax
- 119. consultant, or other qualified licensed professional to advise Owner with respect to legal or tax issues.
- 120. **Release of Claims:** Owner hereby expressly releases, holds harmless and indemnifies Broker from any and all claims liability,
- 121. damages or legal actions arising from the management of the Property, including liability from any injury suffered by an employee or
- 122. other person on the Property, liability in connection with any trustee's sale or judicial foreclosure of the Property or in connection with
- 123. prior management of the property and/or any deposits not released to the Broker. Owner agrees to promptly and diligently defend, at
- 124. Owner's sole expense, any claim, legal action or other proceeding brought against the Broker arising from the management of the
- 125. Property, except in the case of Broker's willful misconduct and/or gross negligence. Owner agrees to reimburse Broker for any
- 126. monies which the Broker expends in connection with, or in defense of, any claim, civil or criminal action proceeding, charge or
- 127. prosecution made, instituted, or maintained against Broker, or Owner and Broker jointly or severally.

(OWNER'S INITIALS REQUIRED) _____ OWNER _____ OWNER

OWNER	OWNER



5. COMPENSATION

- 129. Owner agrees to compensate Broker for services rendered as set forth below.
- 130. **Management Fees:** Management fee(s) will be charged each month during the term of this Agreement regardless of whether or not
- 131. the Property is occupied by a tenant, as follows:
 - 132. Owner agrees to pay Broker a management fee of _____ when the
 - 133. Property is leased to a tenant.
 - 134. Owner agrees to pay Broker a management fee of **ZERO** _____ when the
 - 135. Property is vacant.
 - 136. Owner agrees to pay Broker
- 137.
- 138.
- 139.
- 140.
- 141. Management fees shall not be charged on sales tax.
- 142. **Leasing Commission:** Owner agrees to pay Broker a commission of **\$500** _____ if Broker produces a
- 143. ready, willing and able tenant, or if a rental of the Property is made by Owner or through any other broker, or otherwise, during the
- 144. term of this Agreement for services rendered. Owner agrees to pay a commission of **\$100** _____ for
- 145. any holdovers or rental renewal, regardless of whether or not this Agreement has expired.
- 146. **Sales Commission:** Owner agrees to pay Broker a commission of **3% of purchase price** _____ if during the term of
- 147. any lease of the Property, including any renewals or holdovers, or within **45** _____ days after lease termination, any tenant or
- 148. tenant's heirs, executors or assigns enter into an agreement with Owner to purchase the Property.
- 149. **Miscellaneous Owner Fees:** Owner agrees to pay Broker the following fees for additional services:
 - 150. Initial clean up /Property preparation fee: \$ _____
 - 151. Set up fee: \$ **150** _____
 - 152. Marketing and Advertising fee: \$ _____
 - 153. Insurance coordination fee: \$ _____
 - 154. Document duplication fee: \$ _____
 - 155. Re-key fee: \$ _____
 - 156. Statutory agent fee: \$ _____
 - 157. Other:
- 158.
- 159.
- 160. Other professional service fees shall be established by separate written agreement.
- 161. Broker does does not charge for in-house services. (Explain) **Extensive project management services**
- 162. **may require additional fees. Estimate to be provided to owner if necessary.**
- 163. **Miscellaneous Tenant/Third Party Fees:** Owner agrees that Broker may charge the tenant the following fees, which Broker shall
- 164. retain as additional compensation for services:
 - 165. Application fee: \$ **45** _____
 - 166. Not Sufficient Funds (returned check) fee: \$ **40** _____
 - 167. Service of notice fee: \$ **25** _____
 - 168. Late fee: \$ **25 + \$10/day** _____
 - 169. Other: **\$9.50/month - Insurance & \$8/month Admin Fee & \$150 Lease Up** _____
- 170. COMMISSIONS PAYABLE FOR THE SALE, LEASING, OR MANAGEMENT OF PROPERTY ARE NOT SET BY ANY BOARD OR
- 171. ASSOCIATION OF REALTORS®, OR MULTIPLE LISTING SERVICE, OR IN ANY MANNER OTHER THAN BETWEEN THE
- 172. BROKER AND OWNER.

Initials>

OWNER	OWNER

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6. REMEDIES

173. Alternative Dispute Resolution: Owner and Broker agree to mediate any dispute or claim arising out of or relating to this
174. Agreement. All mediation costs shall be paid equally by the parties. In the event that mediation does not resolve all disputes or
175. claims, the unresolved disputes or claims shall be submitted for binding arbitration. In such event, the parties shall agree upon an
176. arbitrator and cooperate in the scheduling of an arbitration hearing. If the parties are unable to agree on an arbitrator, the dispute
177. shall be submitted to the American Arbitration Association ("AAA") in accordance with the AAA Arbitration Rules for the Real Estate
178. Industry. The decision of the arbitrator shall be final and nonappealable. Judgment on the award rendered by the arbitrator may be
179. entered in any court of competent jurisdiction. Notwithstanding the foregoing, either party may opt out of binding arbitration within
180. thirty (30) days after the conclusion of the mediation conference by notice to the other and in such event either party shall have the
181. right to resort to court action.
182. Attorney Fees and Costs: The prevailing party in any dispute or claim arising out of or relating to this Agreement shall be awarded
183. their reasonable attorney fees and costs. Costs shall include, without limitation: attorney fees, expert witness fees, fees paid to
184. investigators, and arbitration costs.

7. ADDITIONAL TERMS AND CONDITIONS

185. * All HOA violations shall be emailed to pmsupport@4tenrealestate.com within two
186. days of owner's receipt.
187. * Owner shall turn on electric and water service in their name when property is
188. vacant.
189. * Property will be rekeyed at owner's expense after each tenant.
190. * Contrary to lines 63-64, Broker shall not disburse tenants' refundable security
191. deposit to owner without tenants' written authorization unless tenant has materially
192. breached the lease or has been evicted from the property.
193. * Owner will provide CCRs, and HOA Rules & Regulations. Owner to have 4:10 Real
194. Estate added as an additional insured name on owners' homeowners insurance policy,
195. and will provide a copy to 4:10 Real Estate (pm@4tenrealestate.com).
196. * Owner(s) agree that they will return any required paperwork in a timely manner
197. throughout the management of their property(ies). Failure to do so may result in
198. owner payments being withheld.
199. * Owner(s) agree to receive 1099s electronically as paper copies are not mailed.
200. * Owner(s) understand funds will be held in trust and fully FDIC insured with a
201. California state chartered bank specializing in property management compliance.

197.
198.
199.
200.
201.
202.
203.

204. Equal Housing Opportunity: Broker and Owner shall comply with all federal, state and local fair housing laws and regulations.
205. Assignment: Neither Broker nor Owner may assign any rights or obligations pursuant to this Agreement without the prior
206. consent of the other, and any attempted assignment without consent shall be void and of no effect.
207. Other Owners: Owner acknowledges and agrees that Broker may now or in the future represent other owners and tenants of
208. other similar properties.
209. Arizona Law: This Agreement shall be governed by Arizona law and jurisdiction is exclusively conferred on the State of Arizona.
210. Notices/Statements/Reports: Unless otherwise provided, delivery of all notices, statements, reports, and disbursements ("Notice")
211. required or permitted hereunder shall be in writing addressed to Owner or Broker as indicated in Sections 8 and 9 and deemed
212. delivered and received when: (i) hand-delivered; (ii) sent via facsimile transmission; (iii) sent via electronic mail, if email addresses
213. are provided herein; (iv) sent by recognized overnight courier service, or (v) sent by U.S. mail, in which case the Notice shall be
214. deemed received when actually received or five (5) days after the notice is mailed, whichever occurs first.

Initials>

Table with 2 columns: OWNER, OWNER

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215. **Days:** All references to days shall be deemed to be calendar days unless otherwise provided.

216. **Entire Agreement:** This Agreement and any addenda and attachments shall constitute the entire Property Management Agreement

217. between Owner and Broker, shall supersede any other written or oral agreements, and can be modified only by a writing signed by

218. Owner and Broker. Invalidation or unenforceability of one or more provisions of this Agreement shall not affect any other provisions of

219. this Agreement. The failure to initial any page of this Agreement shall not affect its validity or terms.

220. The undersigned agree to the terms and conditions set forth herein.

8. OWNER

221. _____ MO/DA/YR _____ MO/DA/YR
OWNER'S/AUTHORIZED REPRESENTATIVE'S SIGNATURE

222. _____
OWNER'S/AUTHORIZED REPRESENTATIVE'S PRINTED NAME

223. _____
ADDRESS

224. _____ CITY _____ STATE _____ ZIP CODE

225. _____ TELEPHONE _____ FAX

226. _____ EMAIL

227. _____ TELEPHONE _____ EMAIL
EMERGENCY CONTACT AUTHORIZED TO ACT ON OWNER'S BEHALF

9. BROKER

228. _____ MO/DA/YR _____ MO/DA/YR
BROKER SIGNATURE SALESPERSON'S SIGNATURE
Jason Geroux

229. _____ AGENT CODE _____ MO/DA/YR
PRINT SALESPERSON'S NAME

230. _____ FIRM CODE _____
BROKER FIRM NAME **4:10 Real Estate, LLC** **4rel001**

231. **428 S Gilbert Rd., Suite 106-5** **Gilbert** **AZ** **85296**
ADDRESS CITY STATE ZIP CODE

232. **480-382-0115**
TELEPHONE FAX

233. _____
EMAIL

For Broker Use Only:
 Brokerage File/Log No. _____ Manager's Initials _____ Broker's Initials _____ Date _____

Initials>

OWNER	OWNER



ADDENDUM 1

Document updated:
June 1993



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1. This is an addendum originated by the: Seller Buyer Landlord Tenant.
2. This is an addendum to the Contract dated _____ between the following Parties:
MO/DA/YR
3. Seller/Landlord: _____
4. Buyer/Tenant: 4:10 Real Estate, LLC
5. Premises: _____
6. The following additional terms and conditions are hereby included as a part of the Contract between Seller and Buyer for the above referenced Premises:
7. * **4:10 Real Estate (410) will collect a security deposit from tenants in the amount**
8. **equal to one month's rent in all cases, and when necessary will collect one and a half**
9. **month's security deposit. As a security deposit alternative, 4:10 Real Estate may offer**
10. **a program through a third party that will protect the owner up to 2x the rent as**
11. **security but allows the tenants to pay a monthly fee in lieu of the large up front**
12. **deposit.**
13. * **410 will allow tenant to break their lease agreement in the event the tenant pays**
14. **the owners a cancellation fee equal to two month's rent plus \$500 tenant placement fee.**
- 15.
16. * **It is the owners' discretion to allow the tenants to have pets of any kind at the**
17. **property; however, if pets are allowed on the property by the owner, Broker will charge**
18. **the tenant a minimum of \$300 pet deposit.**
19. * **4:10 will coordinate all lease renewals wherein the Broker will adjust the rent if**
20. **necessary. This activity could start 90 days in advance of the lease expiration.**
21. * **When screening a tenant, if the owner is not reachable for a period of 48 hours, the**
22. **owner hereby agrees to authorize Broker to negotiate any and all terms of the contract**
23. **including, but not limited to tenant approval, beginning and end dates, and monthly**
24. **rent amount. Broker will base decisions on current market condition, past and present**
25. **practices and professional expertise. Owner agrees to hold Broker harmless in such**
26. **instances. Owner acknowledges that in the City of Phoenix and Tucson, a tenant may not**
27. **be denied approval solely based on rental assistance (Section 8) status.**
28. * **When approving a non-emergency repair, if the owner is not reachable for a period of**
29. **7 calendar days, the owner hereby agrees to authorize the Broker to proceed with the**
30. **repair according to Broker's best judgment.**
31. * **Broker is authorized to approve and expedite any maintenance deemed an emergency**
32. **without prior approval. The Arizona Landlord & Tenant Act describes and emergency as**
33. **heat, air conditioning, cooling, water, hot water or essential service. Repairs will**
34. **be accomplished and the owner will be promptly notified. Owner agrees to pay for all**
35. **emergency work within 10 days of being notified that the emergency work has been**
36. **completed.**
37. * **Owner agrees to check account balances and statements. If an owner requires paper**
38. **statements, the owner must make a request for paper statements in writing to Broker.**
39. **All requests will be granted within 30 days after the Broker receives the request.**
40. **Owner agrees to pay for all postage associated with sending paper statements.**
- 41.
42. The undersigned agrees to the additional terms and conditions and acknowledges receipt of a copy hereof.

43. _____
44. Seller Buyer MO/DA/YR Seller Buyer MO/DA/YR
45. Landlord Tenant Landlord Tenant
46. _____
47. Seller Buyer MO/DA/YR Seller Buyer MO/DA/YR
48. Landlord Tenant Landlord Tenant

49. **For Broker Use Only:**
 Brokerage File/Log No. _____ Manager's Initials _____ Broker's Initials _____ Date _____
 MO/DA/YR



ADDENDUM 2

Document updated:
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2. This is an addendum to the Contract dated _____ between the following Parties:
MO/DA/YR
3. Seller/Landlord: _____
4. Buyer/Tenant: 4:10 Real Estate, LLC
5. Premises: _____
6. The following additional terms and conditions are hereby included as a part of the Contract between Seller and Buyer for the above referenced Premises:
7. * **Owner acknowledges that a rental property must be registered with the County**
8. **Assessor's Office and may be subject to a tax on gross receipts and a special rental**
9. **classification for property taxes. Owner agrees to have Broker obtain appropriate**
10. **licenses and pay fees and taxes from owners' trust account when due. Owner agrees to**
11. **indemnify and hold Broker (4:10 Real Estate, LLC) harmless for any such tax liability,**
12. **including penalties and interest.**
13. * **In the event that this property is governed by an HOA, the owner is aware that they**
14. **are accountable to make all association assessment payments as well as any and all**
15. **violation payments. If the tenant is liable for the violation payments, Broker will**
16. **charge the tenants account accordingly; however, the owner is responsible for paying**
17. **these fees to be reimbursed by the tenant.**
18. * **Owner understands that ownership of single family homes and condos, because of the**
19. **absence of onsite management, entails the inherent risk of damage to interior and**
20. **exterior of the property including, but not limited to landscaping care and**
21. **maintenance. Inasmuch as the Arizona area is an arid climate, these harsh weather**
22. **conditions and other circumstances can cause rapid deterioration of landscaping, it is**
23. **impractical to constantly monitor its condition. Owner should notify Broker if there**
24. **is a desire to provide regular care by a professional landscaper. Management services**
25. **include one annual periodic interior inspection report provided to owner. Additional**
26. **inspections may be conducted upon request by owner to Broker for a fee of \$75 per**
27. **inspection. Broker may, from time to time, be required to make a judgment of condition**
28. **of the property and landscaping relative to the refund of a security deposit to a**
29. **tenant. In some circumstances, it is difficult to ascertain responsibility for**
30. **deterioration for some or all of the landscaping. Any losses sustained by the owner**
31. **shall be considered as being caused and attributed by the negligence, improper conduct**
32. **or intervening acts of tenants and/or other third parties. Owner acknowledges and**
33. **agrees that its sole recourse for any damages or lost profits shall be exclusively**
34. **against the tenant and/or other third parties. Broker shall be held harmless.**
35. * **This agreement shall be binding upon the successors and assigns of the Broker and**
36. **the heirs, administrators, executors, successors, and assigns of the owner.**
37. * **All notices or instruction from the owner are required to be given to Broker in**
38. **writing and mailed to the appropriate party at the address above. No oral agreements**
39. **or modifications to this agreement will be considered valid unless submitted in a**
40. **separate addendum or agreement signed by both the owner and the Broker.**
- 41.
42. The undersigned agrees to the additional terms and conditions and acknowledges receipt of a copy hereof.

43. _____
44. Seller Buyer MO/DA/YR Seller Buyer MO/DA/YR
45. Landlord Tenant Landlord Tenant
46. _____
47. Seller Buyer MO/DA/YR Seller Buyer MO/DA/YR
48. Landlord Tenant Landlord Tenant

49. **For Broker Use Only:**
 Brokerage File/Log No. _____ Manager's Initials _____ Broker's Initials _____ Date _____
 MO/DA/YR



ADDENDUM 3

Document updated:
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MO/DA/YR
3. Seller/Landlord: _____
4. Buyer/Tenant: 4:10 Real Estate, LLC
5. Premises: _____
6. The following additional terms and conditions are hereby included as a part of the Contract between Seller and Buyer for the above referenced Premises:
7. * Both parties agree that the money will be deposited in Enterprise Bank and Trust, a
8. California State Chartered Bank insured by the FDIC. Note: depositing the funds in a
9. California Financial Institution may significantly hamper the regulatory protections
10. of the Arizona Department of Real Estate. The property owner may not have access or any
11. control over the trust account, except to audit and review the status of the account.
12. Enterprise Bank and Trust has or will provide an addendum that the trust account and all
13. related documentation will be open to examination by the Arizona Department of Real
14. Estate and the property owner.
15. * Owner agrees to the following for 1099s:
16. - I consent to receive my 1099 electronically while in 4:10 Real Estate's property
17. management program.
18. - I understand that I can still receive a paper copy by selecting this option in my
19. portal.
20. - I understand that at any time I can withdraw my consent in writing and receive my
21. 1099 statement via paper. A confirmation of the withdrawal will be sent to me in
22. writing as well.
23. - I understand it is my responsibility to update my information with my property
24. manager via email.
25. - I understand that I will need a PDF viewer to access my 1099 statement.
26. - Order of payment - Broker shall pay from gross receipts, including the security
27. deposit, the operating expenses for the term of the lease, eviction, abandonment,
28. leasing, management, late and any other fees due to the Broker and in cases of early
29. termination of this agreement, in the following priority: 1. Leasing, management,
30. late and any other fees due the Broker; 2. Maintenance and other bills, including
31. rental sales tax; 3. Payments to independent or outside contractors/vendors; 4. All
32. remaining funds, in excess of above, to the owner.
- 33.
- 34.
- 35.
- 36.
- 37.
- 38.
- 39.
- 40.
- 41.
42. The undersigned agrees to the additional terms and conditions and acknowledges receipt of a copy hereof.

43. _____
44. Seller Buyer MO/DA/YR Seller Buyer MO/DA/YR
45. Landlord Tenant Landlord Tenant
46. _____
47. Seller Buyer MO/DA/YR Seller Buyer MO/DA/YR
48. Landlord Tenant Landlord Tenant

49. **For Broker Use Only:**
 Brokerage File/Log No. _____ Manager's Initials _____ Broker's Initials _____ Date _____
 MO/DA/YR



ADDENDUM 4

Document updated:
June 1993



The pre-printed portion of this form has been drafted by the Arizona Association of REALTORS®. Any change in the pre-printed language of this form must be made in a prominent manner. No representations are made as to the legal validity, adequacy and/or effects of any provision, including tax consequences thereof. If you desire legal, tax or other professional advice, please consult your attorney, tax advisor or professional consultant.



1. This is an addendum originated by the: Seller Buyer Landlord Tenant.
2. This is an addendum to the Contract dated _____ between the following Parties:
MO/DA/YR
3. Seller/Landlord: _____
4. Buyer/Tenant: 4:10 Real Estate LLC
5. Premises: _____
6. The following additional terms and conditions are hereby included as a part of the Contract between Seller and Buyer for the above referenced Premises:
7. **INSURANCE:**
8. **At all times during this agreement, Owner must maintain in effect:**
9. **Comprehensive public liability property insurance with minimum coverage of \$1,000,000**
10. **that names Broker as a co-insured or additional insured.**
11. **Owner understands that it is his/her responsibility to maintain adequate Fire and**
12. **extended coverage hazard insurance in an amount equal to the total replacement cost of**
13. **the structure and other improvements.**
14. **Any additional insurance required.**
15. **Not later than the 15th day after the Commencement Date, Owner must deliver to Broker**
16. **copies of certificates of insurance evidencing the coverage required.**
17. **Owner will be enrolled in the broker's Master General Liability Insurance if Owner**
18. **fails to provide coverage noted above that lists the brokers as additional insured.**
- 19.
20. **The cost is \$11.59 with a \$4.41 administration fee total of \$15 a month.**
21. **Owner may: opt-out of brokers Master General Liability Policy at any time by providing**
22. **a copy of public liability insurance with minimum coverage of \$1,000,000 that lists**
23. **broker as additional insured. There will not be a charge if Owner provides proof of**
24. **required insurance no later than 15 days from execution of this agreement.**
25. **Owner shall indemnify and hold the agent harmless from any occurrence, liability,**
26. **action, damage or litigation that arises during any period where no insurance exists or**
27. **the policies lapse. Furthermore, if Owner's insurance is inadequate or fails to defend**
28. **Owner and Agent from any occurrence, liability, action, damage or litigation, Owner**
29. **shall be solely responsible. All policies shall provide that Agent is provided 30 days**
30. **notice of cancellation and said policies shall name Agent as additional insured on the**
31. **liability portion.**
32. **Owner understands that a vacant dwelling may not have proper insurance coverage. Owner**
33. **should consult with their insurance agent to determine if additional coverage is**
34. **needed.**
- 35.
- 36.
- 37.
- 38.
- 39.
- 40.
- 41.
42. The undersigned agrees to the additional terms and conditions and acknowledges receipt of a copy hereof.

43. _____
44. Seller Buyer MO/DA/YR Seller Buyer MO/DA/YR
45. Landlord Tenant Landlord Tenant
46. _____
47. Seller Buyer MO/DA/YR Seller Buyer MO/DA/YR
48. Landlord Tenant Landlord Tenant

49. **For Broker Use Only:**
 Brokerage File/Log No. _____ Manager's Initials _____ Broker's Initials _____ Date _____
 MO/DA/YR



RESIDENTIAL LISTING CONTRACT EXCLUSIVE RIGHT TO SELL/RENT

 Document:
February 2021


The pre-printed portion of this form has been drafted by the Arizona Association of REALTORS®. Any change in the pre-printed language of this form must be made in a prominent manner. No representations are made as to the legal validity, adequacy and/or effects of any provision, including tax consequences thereof. If you desire legal, tax or other professional advice, please consult your attorney, tax advisor or professional consultant.



1. PARTIES

1. **OWNER/SELLER:** _____
2. _____ (“Owner”)
3. **BROKER:** _____ **4:10 Real Estate** acting through
FIRM NAME
4. _____, _____ (“Broker”)
AGENT’S NAME AGENT’S NAME

2. PROPERTY

5. **Premises:** Owner agrees to sell or rent the real property with all improvements, fixtures, and appurtenances thereon or incidental thereto, plus the personal property described herein (collectively the “Premises”).
7. Premises Address: _____ Assessor’s #: _____
8. City: _____ County: _____ AZ, Zip Code: _____
9. Legal Description: _____
10. _____
11. _____
12. _____
13. _____

3. LISTING PRICE AND TERMS

14. **Agreement:** This Residential Listing Contract - Exclusive Right to Sell/Rent (“Agreement”) is between Owner and Broker.
15. In consideration of Broker’s agreement to find a ready, willing, and able purchaser or tenant, Owner gives Broker the exclusive and irrevocable right to: **Sell** **Rent** **Sell and Rent** the Premises described above.
17. Owner acknowledges that signing more than one Exclusive Right to Sell/Rent or other form of listing contract for the same Term could expose the Owner to liability for additional commissions.
19. **Price:** The listing price shall be: **Sale** \$ _____ and **Rent** \$ _____ per month, plus (in the case of a rental) all applicable lease or rental (transaction privilege) taxes or such other price and terms as are accepted by Owner.
21. **Term:** This Agreement shall commence on _____ and shall expire at 11:59 p.m. Mountain Standard Time on _____
22. (“Expiration Date”). Upon full execution of a contract for sale or lease of the Premises, all rights and obligations of this Agreement will automatically extend through the date of the actual closing of the sale or lease agreement.
24. **Capacity:** Owner or any party that Owner designates to act on their behalf warrants that they have the legal capacity, full power and authority to enter into this Agreement, deliver marketable title to the Premises, and consummate the transaction contemplated hereby.
26. **Modification:** This Agreement may be modified only in writing signed by Owner and Broker.
27. **Equal Housing Opportunity:** Broker and Owner shall comply with all federal, state and local fair housing laws and regulations, including, but not limited to, non-discrimination based on race, color, religion, sex, handicap, familial status, national origin, sexual orientation, or gender identity.

>>

Initials >

OWNER

OWNER

Residential Listing Contract - Exclusive Right to Sell/Rent >>**4. COMPENSATION**

30. Compensation for the sale or rental of the Premises is not set by any Association/Board of REALTORS® or any Multiple Listing Service. The compensation payable for the sale or rental of the Premises is negotiated between Broker and Owner.
31. Listing Service. The compensation payable for the sale or rental of the Premises is negotiated between Broker and Owner.
32. All funds are to be in U.S. currency.
33. Owner agrees to compensate Broker and Cooperating Broker(s), if any, as follows:
34. **Retainer:** Broker shall be paid within five (5) days of execution of this Agreement, a non-refundable retainer fee in the amount of
35. \$ _____ payable to Broker for initial consultation, research and other services.
36. **Commissions:** If Broker produces a ready, willing and able purchaser or tenant in accordance with this Agreement, or if a sale or
37. rental of the Premises is made by Owner or through any other broker, or otherwise, during the Term of this Agreement, Owner agrees
38. to pay Broker a TOTAL COMMISSION of:
39. **Sale:** 3 % of the gross sales price **OR** \$ _____; and
40. Additional Broker commission(s): _____.
41. **Cooperating Brokers (SALE):** Broker intends to cooperate with all other brokers except when not in Owner's best interest, and
42. to offer compensation in the amount of _____ % of the gross purchase price **OR** \$ _____ to a buyer's broker, who
43. represents the interest of the buyer(s), and not the interest of Owner, in a transaction. Any such cooperation shall not increase the
44. total commission payable by Owner.
45. **Rental:** _____ % of the gross rental amount as calculated for the entire term of the initial lease **OR** \$ 500.00,
46. upon execution of lease agreement.
47. **Cooperating Brokers (RENTAL):** Broker intends to cooperate with all other brokers except when not in Owner's best interest, and to
48. offer compensation in the amount of _____ % of the gross rental amount as calculated for the entire term of the initial lease,
49. **OR** \$ 250.00 to a tenant's broker who represents the interest of the tenant(s), and not the interest of Owner, in a transaction.
50. Any such cooperation shall not increase the total commission payable by Owner.
51. **Rental Renewal or Extension:** Regardless of whether this Agreement has expired, Owner agrees to pay a commission of
52. _____ % **OR** \$ 100.00 of the gross rental amount within (five) 5-days of rental renewal or extension.
53. **Purchase by Tenant:** If during the terms of any rental of the Premises, including any renewals or holdovers, or within 45 days
54. after the rental's termination, any tenant, or his heirs, executors, or assigns shall buy the Premises from Owner, the sale commission
55. described in Section 4 shall be deemed earned by and payable to Broker.
56. **Cooperating Broker (dispute):** In the event a dispute arises between Broker and any Cooperating Broker(s) regarding payment of
57. commission, Owner shall not revoke or seek to amend compensation previously offered. Any compensation dispute between Brokers
58. shall be resolved after the close of escrow in accordance with the REALTORS® Dispute Resolution System, or as otherwise agreed.
59. **Withdrawn/Cancelled Listings:** The same amount of sale or rental commission shall be due and payable to Broker if, without the
60. consent of Broker, the Premises is withdrawn from this Agreement, otherwise withdrawn from sale or rental, or is rented, transferred,
61. or conveyed by Owner through any other broker or otherwise.
62. **Payment from Escrow or Rent:** Owner instructs the escrow company, if any, to pay all such compensation to Broker by check,
63. wire transfer, or certified funds as a condition to closing or upon cancellation of the escrow, and irrevocably assigns to Broker, to the
64. extent necessary, money payable to Owner at the closing or cancellation of escrow. Broker is authorized to deduct compensation
65. owed to Broker from any rent or other monies received by Broker on Owner's behalf.
66. **After Expiration:** After the expiration of this Agreement, the same commissions, as appropriate, shall be payable if a sale or rental is
67. made by Owner to any person to whom the Premises has been shown or with whom Owner or any broker has negotiated concerning
68. the Premises during the term of this Agreement: (i) within 45 days after the expiration of this Agreement, unless the Premises
69. has been listed on an exclusive basis with another broker; (ii) during the pendency, including the closing, of any purchase contract or
70. escrow relating to the Premises that was executed or opened during the term of this Agreement; or (iii) as contemplated by Section 4.
71. **Failure to Complete:** If completion of a sale or rental is prevented by default of Owner, or with the consent of Owner, the entire sale
72. or rental commission, as appropriate, shall be paid to Broker by Owner. If any earnest deposit is forfeited for any other reason, Owner
73. shall pay a brokerage fee equal to the lesser of one-half of the earnest deposit or the full amount of the commission.

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Residential Listing Contract - Exclusive Right to Sell/Rent >>

74. **Construction:** To the maximum extent permitted by applicable law, this Agreement shall be construed as limiting applicable provisions of law relating to when commissions are earned or payable. In the event of any express disagreement between any provision of this Agreement and the requirements of applicable law, the applicable provision of this Agreement shall be deemed as modified to the minimum extent necessary to ensure compliance with applicable law.

5. FIXTURES & PERSONAL PROPERTY

78. **Fixtures and Personal Property:** For purposes of this Agreement, fixtures shall mean property attached/affixed to the Premises. Owner agrees that all existing: fixtures on the Premises, personal property specified herein, and means to operate fixtures and property (i.e., remote controls) shall convey in this sale or rental. Including the following:

- | | | |
|---|---|---|
| 81. • built-in appliances, ceiling fans and remotes | • media antennas/satellite dishes (affixed) | • storage sheds |
| 82. • central vacuum, hose, and attachments | • outdoor fountains and lighting | • storm windows and doors |
| 83. • draperies and other window coverings | • outdoor landscaping (i.e., shrubbery, trees and unpotted plants) | • stoves: gas-log, pellet, wood-burning |
| 84. • fireplace equipment (affixed) | • shutters and awnings | • timers (affixed) |
| 85. • floor coverings (affixed) | • smart home devices, access to which shall be transferred (i.e., video doorbell, automated thermostat) | • towel, curtain and drapery rods |
| 86. • free-standing range/oven | • speakers (flush-mounted) | • wall mounted TV brackets and hardware (excluding TVs) |
| 87. • garage door openers and remotes | | • water-misting systems |
| 88. • light fixtures | | • window and door screens, sun shades |
| 89. • mailbox | | |

90. If owned by Owner, the following items also are included in this sale or rental:

- | | | |
|--|--|--|
| 91. • affixed alternate power systems serving the Premises (i.e., solar) | • in-ground pool and spa/hot tub equipment and covers (including any mechanical or other cleaning systems) | • security and/or fire systems and/or alarms |
| 92. | | • water purification systems |
| 93. | | • water softeners |

94. **Additional Existing Personal Property Which may be Included in this Sale (if checked):**

95. refrigerator(s) (description): _____
96. washer(s) (description): _____
97. dryer(s) (description): _____
98. above-ground spa/hot tub including equipment, covers, and any mechanical or other cleaning systems (description): _____
99. _____
100. other: _____

101. Additional items of personal property which may be included in the sale or rental: _____
102. _____

103. **Leased or Not Owned Items:** The following items are leased or not owned by Owner (if checked):

104. solar system alarm system propane tank water softener

105. Other leased or lien items not included in the sale or rental: _____
106. _____
107. _____

108. Fixtures not included in the sale or rental: _____
109. _____

6. AGENCY

110. **Owner Representation:** Broker shall represent Owner in any resulting transaction during the term of this Agreement, except as specified in Section 4. Unless otherwise agreed, Broker acts as Owner's agent only and has the duties of loyalty, obedience, disclosure, confidentiality, and accounting (Fiduciary Duties) as well as other duties imposed by the Arizona Department of Real Estate. Owner acknowledges that Broker may show prospective buyers the Premises and this shall not constitute a conflict of interest.

114. **Conduct of Brokers:** Regardless of whom they represent, Broker has the obligation to: (i) treat all parties to a transaction fairly; (ii) disclose, in writing, all facts known to the licensee that may materially and adversely affect the consideration to be paid for the Premises; and (iii) disclose that Owner or buyer(s) may be unable to perform. REALTORS® are further obligated by the National Association of REALTORS® Code of Ethics to treat all parties honestly.

118. **Limited Representation:** A limited agency may occur when Broker procures a buyer(s) for the Premises. In this situation, the same real estate company may represent the Owner's interest and the buyer's interest but not to the detriment of the other party. Broker can legally represent both parties with the knowledge and prior written consent of both parties.

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Initials >

OWNER	OWNER

Residential Listing Contract - Exclusive Right to Sell/Rent >>

121. **What Broker Cannot Disclose to Clients Under Limited Representation:** (i) confidential information the Broker may know about
 122. a client, without the client's express consent; (ii) the price or terms the Owner will take other than the Price without permission of the
 123. Owner; (iii) the price or terms the buyer(s) is willing to pay without permission of the buyer(s); (iv) a recommended or suggested price
 124. or terms the buyer(s) should offer; and (v) a recommended or suggested price or terms the Owner should counter with or accept.
125. **Competing Owners:** Owner understands that Broker may have or obtain listings on other properties, and that potential buyer(s)
 126. may consider, make offers on, or purchase through Broker, property the same as or similar to Owner's Premises. Owner consents
 127. to Broker's representation of Owners and buyer(s) of other properties before, during, and upon expiration of this Agreement.

7. BROKER AUTHORITY

128. **Broker's Role:** Broker is not responsible for the custody or condition of the Premises or its management (except under separate
 129. contract), upkeep, or repair.
130. **Advertising:** Owner agrees to not advertise or market the Premises in any manner without the prior written permission of Broker.
131. **Multiple Listing Service (MLS):** Broker is authorized to provide any and all information regarding the Premises to any MLS of
 132. which Broker is a participant and to publish and disseminate such information in print or electronic form to MLS participants and
 133. the general public, including dissemination of the information through Internet Data Exchanges (IDX) and Virtual Office Websites
 134. (VOWs). Broker is authorized to report the sale or rental of the Premises and its price, terms and financing for dissemination
 135. through the MLS to MLS participants and the general public.
136. All terms of the transaction, including sale price and financing, if applicable, (i) will be provided to the MLS(s); and (ii) may be
 137. provided to the MLS even if the Premises is not listed with the MLS(s).
138. **Signs:** Broker **IS** **IS NOT** allowed to place Broker's "For Sale" sign or "For Rent" sign in conjunction with any customary
 139. sign rider on the Premises, and in the event of a sale, a "Sold" or "Pending" sign, or lease, a "Rented" sign (at Broker's discretion)
 140. on the Premises. Seller acknowledges that any public marketing of the premises will require submission to the MLS within one
 141. business day.
142. **Photos/Video:** Owner **DOES** **DOES NOT** authorize Broker to place photos, video images/virtual tours of the Premises on
 143. the internet and other electronic and on-line media platforms. If authorized by Owner to do so, such marketing will be performed at
 144. the sole discretion of Broker. Owner is cautioned to protect items in view.
145. Owner acknowledges that once images are placed on the internet, neither Broker nor Owner has control over who can view
 146. such images and what use viewers may make of the images, or how long such images may remain available on the internet.
 147. Owner further assigns any rights in all images, if owned, to the Broker and agrees that such images are the property of Broker
 148. and that Broker may use such images for advertising, including post sale and for Broker's business in the future.
149. **Lockbox/Keysafe:** Broker **IS** **IS NOT** authorized to install a lockbox/keysafe. A lockbox/keysafe is designed to hold a key
 150. to the Premises to permit access to the Premises by Broker, cooperating brokers, MLS participants, their authorized licensees
 151. and representatives, authorized inspectors, and prospective buyers. Broker, cooperating brokers, MLS and Associations/Boards
 152. of REALTORS® are not insurers against injury, theft, loss, vandalism or damage attributed to the use of a lockbox/keysafe. If
 153. Premises is rented, Owner must comply with providing proper notice to tenant(s) pursuant to Arizona law.
154. **Offers:** Broker **IS** **IS NOT** authorized to disclose the existence of offers, which includes the sales price and terms of sale or
 155. rent price and terms of lease, on the Premises.
156. **Subsequent Purchase or Lease Offers:** Broker acknowledges that Owner has the right to accept subsequent offers until the close
 157. of escrow in the case of a sale or until occupancy by a tenant in the case of a rental. Owner understands that any subsequent offers
 158. accepted by Owner must be backup offers, namely, contingent on the cancellation or other nullification of any contracts arising from
 159. the acceptance of earlier offers.
160. (Check if applicable) **Accept backup offers** **Withhold verbal offers** **Withhold all offers** once Owner accepts a purchase
 161. contract or lease agreement for the Premises.
162. Broker will change or maintain the correct MLS Listing status in accordance with the MLS Rules and Regulations and any
 163. associated policies.
164. **Cancellation:** Broker reserves the right to cancel this Agreement unilaterally for cause, which shall include, but is not limited to,
 165. Broker's good faith belief that any service requested of Broker or any action undertaken by anyone other than Broker is (or could
 166. be determined to be) in violation of any applicable law.

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Initials>

OWNER	OWNER

Residential Listing Contract - Exclusive Right to Sell/Rent >>**8. OWNER OBLIGATION**

167. **Premises Access:** Owner shall provide access to the Premises at reasonable times and upon reasonable notice to allow for showing
168. the Premises to prospective buyers and cooperating brokers.
169. **Security, Insurance, Showings, Audio and Video:** Broker(s) is not responsible for loss of or damage to personal or real property
170. or person, whether attributable to use of a key safe/lockbox, a showing of the Premises, or otherwise. Third parties, including,
171. but not limited to, appraisers, inspectors, brokers and prospective buyers, may have access to, and take videos and photographs
172. of the interior of the Premises. Owner agrees to: (i) take reasonable precautions to safeguard and protect valuables that might
173. be accessible during showings of the Premises; and (ii) obtain insurance to protect against these risks. Broker does not maintain
174. insurance for the Owner's benefit. Persons visiting the Premises may not be aware that they could be recorded by audio or visual
175. devices installed by Owner (such as "nanny cams" and hidden security cameras).
176. Owner is advised to post notice disclosing the existence of security devices on the Premises, if any.
177. **Adverse Information:** Owner has disclosed to Broker all material latent defects and information concerning the Premises known
178. to Owner, including all material information relating to: (i) connection to a public sewer system, septic tank or other sanitation
179. system; (ii) the existence of any tax, judgment or other type of lien; (iii) past or present infestation by or treatment for wood-
180. destroying pests or organisms; and (iv) past or present repair of the Premises for damage resulting from wood destroying pests
181. or organisms. During the term of this Agreement, Owner agrees to continue disclosing to Broker all additional information of the
182. type required by the preceding sentence promptly after Owner becomes aware of any such information by updating the Seller's
183. Property Disclosure Statement, Residential Lease Owner's Property Disclosure Statement or other written notice.
184. **Disclosures:** Owner shall provide Broker with accurate information about the Premises. Owner acknowledges that Arizona law
185. requires Owner to disclose material (important) facts about the Premises, even if Owner is not asked by the buyer(s) or a real
186. estate agent. Owner agrees to provide the following disclosures, if applicable:
187. **1. Affidavit of Disclosure:** If the Premises is located in an unincorporated area of the county, and five (5) or fewer parcels of
188. property other than subdivided property are being transferred, Owner shall deliver a completed Affidavit of Disclosure in
189. the form required by law to buyer within five (5) days after purchase contract acceptance.
190. **2. Disclosure of Lead-Based Paint and Lead-Based Paint Hazards (Sale or Rental):** If the Premises structure was built
191. before 1978, federal law requires that Owner provide the buyer or tenant with a lead-based paint disclosure form.
192. **3. Domestic Water Well Addendum Seller's Property Disclosure Statement:** If the Premises is served by a domestic water
193. well, Owner shall deliver a completed Domestic Water Well Addendum to buyer within three (3) days of contract acceptance.
194. **4. Foreign Investment in Real Property Tax Act certificate:** The Foreign Investment in Real Property Tax Act ("FIRPTA") is
195. applicable if Owner is a non-resident alien individual, foreign corporation, foreign partnership, foreign trust, or foreign estate
196. ("Foreign Person"). Owner agrees to complete, sign, and deliver to Escrow Company a certificate indicating whether Owner
197. is a Foreign Person. FIRPTA requires that a foreign seller may have federal income taxes up to 15% of the purchase price
198. withheld, unless an exception applies. Owner is responsible for obtaining independent legal and tax advice.
199. **5. H.O.A. Condominium / Planned Community Addendum:** If the Premises is in a residential HOA/Condominium or Planned
200. Unit Development, Owner shall complete and return to Broker page 1 of the HOA Addendum.
201. **6. Insurance Claims History:** Owner shall deliver to buyer a written five (5) year insurance claims history regarding the
202. Premises (or a claims history for the length of time Owner has owned the Premises if less than five (5) years) from Owner's
203. insurance company or an insurance support organization or consumer reporting agency, or if unavailable from these
204. sources, from Owner, within five (5) days after purchase contract acceptance.
205. **7. Residential Lease Agreement (Lease):** If the Premises is to be sold while subject to a Lease, Owner shall provide a copy
206. of the Lease to the Broker.
207. **8. Residential Lease Owner's Property Disclosure Statement (RLOPDS):** The RLOPDS is designed to protect the Owner
208. by disclosing pertinent information regarding the Premises.
209. **9. Seller's Property Disclosure Statement (SPDS):** The SPDS is designed to protect the Owner by disclosing pertinent
210. information regarding the Premises. Owner shall complete and return the SPDS to Broker.
211. **10. Solar Lease / Solar Loan Assumption Addendum:** If a solar photovoltaic panel system ("Solar System") has been installed
212. on the Premises that is subject to a lease or unpaid loan, Owner shall complete and return the Solar Lease / Solar Loan
213. Assumption Addendum to Broker.

>>

Initials >

OWNER	OWNER

Residential Listing Contract - Exclusive Right to Sell/Rent >>

214. **Recommendations:** If Broker recommends a builder, contractor, escrow company, title company, pest control service, appraiser,
215. lender, home inspection company or home warranty company or any other person or entity to Owner for any purpose, such
216. recommendations shall be independently investigated and evaluated by Owner, who hereby acknowledges that any decision to
217. enter into any contractual arrangement with any such person or entity recommended by Broker will be based solely upon such
218. independent investigation and evaluation. Owner understands that said contractual arrangement may result in Compensation
219. or fee to Broker. Owner agrees it will not allow mechanic's liens to be recorded against the Premises during the term of this
220. Agreement or at any time prior to close of escrow.

221. **Indemnification:** Owner hereby expressly releases, holds harmless and indemnifies Broker, all Boards or Associations of
222. REALTORS®, MLS, and all other brokers from any and all liability and responsibility regarding damage or loss arising from any
223. misrepresentation or breach of warranty by Owner in this Agreement, any incorrect information supplied by Owner and any facts
224. concerning the Premises not disclosed or withheld by Owner, including without limitation, any facts known to Owner relating to
225. Adverse Information or latent defects.

226. (OWNER'S INITIALS REQUIRED) _____

9. REMEDIES

227. **Alternative Dispute Resolution:** Owner and Broker agree to mediate any dispute or claim arising out of or relating to this
228. Agreement. All mediation costs shall be paid equally by the parties. In the event that mediation does not resolve all disputes or
229. claims, the unresolved disputes or claims shall be submitted for binding arbitration. In such event, the parties shall agree upon an
230. arbitrator and cooperate in the scheduling of an arbitration hearing. If the parties are unable to agree on an arbitrator, the dispute
231. shall be submitted to the American Arbitration Association ("AAA") in accordance with the AAA Arbitration Rules for the Real Estate
232. Industry. The decision of the arbitrator shall be final and nonappealable. Judgment on the award rendered by the arbitrator may be
233. entered in any court of competent jurisdiction. Notwithstanding the foregoing, either party may opt out of binding arbitration within
234. thirty (30) days after the conclusion of the mediation conference by notice to the other and in such event either party shall have
235. the right to resort to court action.

236. **Attorney Fees and Costs:** The prevailing party in any dispute or claim arising out of or relating to this Agreement shall be
237. awarded their reasonable attorney fees and costs. Costs shall include, without limitation: expert witness fees, fees paid to
238. investigators, and arbitration costs.

10. ADDITIONAL TERMS AND CONDITIONS

239. *. This exclusive right to sell agreement renews for a two year period in conjunction
240. with the property management agreement.

241. * Owner acknowledges that 4:10 Real Estate utilizes an automated advertising &
242. showing system for vacancies and that the property will not be listed in the MLS
243. during vacancies.

244.
245.
246.
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254. **Assignment:** Neither Broker nor Owner may assign any rights or obligations pursuant to this Agreement without the prior written
255. consent of the other, and any attempted assignment without consent shall be void and of no effect.

256. **Arizona Law:** This Agreement shall be governed by Arizona law and jurisdiction is exclusively conferred on the State of Arizona.

257. **Notice:** Unless otherwise provided, delivery of all notices and documentation required or permitted shall be in writing addressed
258. to Owner or Broker as indicated in Sections 11 and 12 and deemed delivered and received when: (i) hand-delivered; (ii) sent
259. via facsimile transmission; (iii) sent via electronic mail, if email addresses are provided herein; (iv) sent by recognized overnight
260. courier service, or (v) sent by U.S. mail, in which case the Notice shall be deemed received when actually received or five (5) days
261. after the notice is mailed, whichever occurs first.

>>

Initials>

OWNER	OWNER

Residential Listing Contract - Exclusive Right to Sell/Rent

- 262. **Days:** All references to days shall be deemed to be calendar days unless otherwise provided.
- 263. **Copies and Counterparts:** This Agreement may be executed by facsimile or other electronic means and in any number of
- 264. counterparts. A fully executed facsimile or electronic copy of the Agreement shall be treated as an original Agreement.
- 265. **Entire Agreement:** This Agreement and any addenda and attachments shall constitute the entire Agreement between Owner and
- 266. Broker and shall supersede any other written or oral agreements. Invalidity or unenforceability of one or more provisions of this
- 267. Agreement shall not affect any other provisions of this Agreement. The failure to initial any page of this Agreement shall not affect
- 268. the validity or terms of this Agreement.
- 269. **Acceptance:** The undersigned agree to the terms and conditions set forth herein and acknowledge receipt of a copy of this Agreement.

11. OWNER

- | | |
|--|---|
| 270. _____
^ OWNER OR AUTHORIZED REPRESENTATIVE'S SIGNATURE MO/DAYR | _____
^ OWNER OR AUTHORIZED REPRESENTATIVE'S SIGNATURE MO/DAYR |
| 271. _____
^ OWNER OR AUTHORIZED REPRESENTATIVE'S PRINTED NAME | _____
^ OWNER OR AUTHORIZED REPRESENTATIVE'S PRINTED NAME |
| 272. _____
^ ADDRESS | _____
^ ADDRESS |
| 273. _____
^ CITY, STATE, ZIP CODE | _____
^ CITY, STATE, ZIP CODE |
| 274. _____
^ TELEPHONE | _____
^ TELEPHONE |
| 275. _____
^ EMAIL | _____
^ EMAIL |

12. BROKER

276. Agent is a member of the WESERV Association/Board of REALTORS® and subscribes to the
277. REALTOR® Code of Ethics.
- | | |
|---|--------------------------------------|
| 278. _____
^ AGENT'S SIGNATURE MO/DAYR | _____
^ AGENT'S SIGNATURE MO/DAYR |
| 279. _____
^ AGENT'S PRINTED NAME | _____
^ AGENT'S PRINTED NAME |
| 280. <u>4:10 Real Estate</u>
^ PRINT FIRM NAME | _____
^ PRINT FIRM NAME |
| 281. <u>480-382-0115</u>
^ TELEPHONE | _____
^ TELEPHONE |
| 282. _____
^ EMAIL | _____
^ EMAIL |

For Broker Use Only:
 Brokerage File/Log No. _____ Manager's Initials _____ Broker's Initials _____ Date _____
MO/DAYR

REAL ESTATE AGENCY DISCLOSURE AND ELECTION

Document updated:
October 2022



The pre-printed portion of this form has been drafted by the Arizona Association of REALTORS®. Any change in the pre-printed language of this form must be made in a prominent manner. No representations are made as to the legal validity, adequacy and/or effects of any provision, including tax consequences thereof. If you desire legal, tax or other professional advice, please consult your attorney, tax advisor or professional consultant.



1. Firm Name ("Broker") 4:10 Real Estate, LLC
2. acting through _____
LICENSEE'S NAME LICENSEE'S NAME
3. hereby makes the following disclosure.

DISCLOSURE

4. Before a **Seller or Landlord (hereinafter referred to as "Seller")** or a **Buyer or Tenant (hereinafter referred to as "Buyer")** enters into a discussion with a real estate broker or licensee affiliated with a broker, the Seller and the Buyer should understand what type of agency relationship or representation they will have with the broker in the transaction.
7. **I. Buyer's Broker:** A broker other than the Seller's broker can agree with the Buyer to act as the broker for the Buyer. In these situations, the Buyer's broker is not representing the Seller, even if the Buyer's broker is receiving compensation for services rendered, either in full or in part, from the Seller or through the Seller's broker:
9. a) A Buyer's broker has the fiduciary duties of loyalty, obedience, disclosure, confidentiality, and accounting in dealings with the Buyer.
10. b) Other potential Buyers represented by broker may consider, make offers on, or acquire an interest in the same or similar properties as Buyer is seeking.
11. **II. Seller's Broker:** A broker under a listing agreement with the Seller acts as the broker for the Seller only:
12. a) A Seller's broker has the fiduciary duties of loyalty, obedience, disclosure, confidentiality, and accounting in dealings with the Seller.
13. b) Other potential Sellers represented by broker may list properties that are similar to the property that Seller is selling.
14. **III. Broker Representing both Seller and Buyer (Limited Representation):** A broker, either acting directly or through one or more licensees within the same brokerage firm, can legally represent both the Seller and the Buyer in a transaction, but only with the knowledge and informed consent of both the Seller and the Buyer. In these situations, the Broker, acting through its licensee(s), represents both the Buyer and the Seller, with limitations of the duties owed to the Buyer and the Seller:
15. a) The broker will not, without written authorization, disclose to the other party that the Seller will accept a price or terms other than stated in the listing or that the Buyer will accept a price or terms other than offered.
16. b) There will be conflicts in the duties of loyalty, obedience, disclosure and confidentiality. Disclosure of confidential information may be made only with written authorization.
17. Regardless of who the Broker represents in the transaction, the Broker shall exercise reasonable skill and care in the performance of the Broker's duties and shall be truthful and honest to both the Buyer and Seller and shall disclose all known facts which materially and adversely affect the consideration to be paid by any party. Pursuant to A.R.S. §32-2156, Sellers, Lessors and Brokers are not obligated to disclose that a property is or has been: (1) the site of a natural death, suicide, homicide, or any crime classified as a felony; (2) owned or occupied by a person exposed to HIV, or diagnosed as having AIDS or any other disease not known to be transmitted through common occupancy of real estate; or (3) located in the vicinity of a sex offender. Sellers or Sellers' representatives may not treat the existence, terms, or conditions of offers as confidential unless there is a confidentiality agreement between the parties.
18. **THE DUTIES OF THE BROKER IN A REAL ESTATE TRANSACTION DO NOT RELIEVE THE SELLER OR THE BUYER FROM THE RESPONSIBILITY TO PROTECT THEIR OWN INTERESTS. THE SELLER AND THE BUYER SHOULD CAREFULLY READ ALL AGREEMENTS TO INSURE THAT THE DOCUMENTS ADEQUATELY EXPRESS THEIR UNDERSTANDING OF THE TRANSACTION.**

ELECTION

34. **Buyer or Tenant Election** (Complete this section only if you are the Buyer.) The undersigned elects to have the Broker (check any that apply):
35. represent the Buyer as Buyer's Broker.
36. represent the Seller as Seller's Broker.
37. show Buyer properties listed with Broker's firm and Buyer agrees that Broker shall act as agent for both Buyer and Seller provided that the Seller consents to limited representation. In the event of a purchase, Buyer's and Seller's informed consent should be acknowledged in a separate writing other than the purchase contract.
38. **Seller or Landlord Election** (Complete this section only if you are the Seller.) The undersigned elects to have the Broker (check any that apply):
39. represent the Buyer as Buyer's Broker.
40. represent the Seller as Seller's Broker.
41. show Seller's property to Buyers represented by Broker's firm and Seller agrees that Broker shall act as agent for both Seller and Buyer provided that Buyer consents to the limited representation. In the event of a purchase, Buyer's and Seller's informed consent should be acknowledged in a separate writing other than the purchase contract.

42. The undersigned Buyer(s) or Seller(s) acknowledge that this document is a disclosure of duties. This document is not an employment agreement.
43. I/WE ACKNOWLEDGE RECEIPT OF A COPY OF THIS DISCLOSURE.

44. _____ ^ PRINT NAME _____ ^ PRINT NAME
45. _____ ^ SIGNATURE _____ MO/DA/YR _____ ^ SIGNATURE _____ MO/DA/YR

Real Estate Agency Disclosure and Election • Updated: October 2022 • Copyright © 2022 Arizona Association of REALTORS®. All rights reserved.



TO ENSURE THAT YOU HAVE THE MOST UP-TO-DATE
LEASE OWNER'S ADVISORY, PLEASE CHECK
<https://www.aaronline.com/manage-risk/other-advisories/>

Note: The "Document updated date on this advisory does not change when website links are updated. In the event that substantive edits are made to content within this Advisory, the "Document updated" date will change to reflect the date of the most recent revision.



The Lease Owner's Advisory is a resource provided by the Arizona Association of REALTORS®

Residential Rentals are required to comply with the Arizona Residential Landlord/Tenant Act:

<http://bit.ly/2KXu9eG>

OWNER'S RESPONSIBILITIES AND STATUTORY REQUIREMENTS

1. AFFIDAVIT OF LEGAL CLASS CORRECTION

If a parcel of property is used as a rental unit and identified by the county assessor as a class three property pursuant to A.R.S. § 42-12003, the owner **must** notify the assessor of the rental use of the property or be subject to a civil penalty prescribed by A.R.S. § 42-12052. The lease owner **must** also register with the assessor in the county where the property is located in the manner set forth in A.R.S. § 33-1902(A): <http://bit.ly/2Mv87os>

2. NOTIFICATION OF ARIZONA RESIDENTIAL RENTAL PROPERTY

Pursuant to A.R.S. § 33-1902(B), an out-of-state owner of residential rental property **must** designate and record with the county assessor a statutory agent who lives in this state and who will accept legal service on behalf of the owner. A person who fails to comply with any provision of this section shall be assessed a civil penalty of \$1,000, plus an additional \$100 for each month after the date of the original violation until compliance occurs.

NOTE: If the owner is required to register the rental property with the county assessor and fails to do so, the city or town may impose a civil penalty payable to the city or town in the amount of \$150 per day for each day of violation, and the city or town may impose enhanced inspections and enforcement measures on the property: <http://bit.ly/2Mv87os>

3. BUSINESS LICENSE

Some cities require the owner to have a separate business license prior to engaging in any type of business activity. It is the owner's responsibility to apply for and pay any fees associated with obtaining this license. If the property is being professionally managed, the lease owner should discuss this topic with their property manager: www.azdor.gov/Business/LicensingGuide.aspx

4. FOREIGN LEASE OWNERS RESIDING OUTSIDE OF THE UNITED STATES

Foreign lease owners **must** secure an Individual Taxpayer Identification Number (ITIN). Unless the foreign lease owner files a Form W-8ECI with their property management company, the property manager **must** withhold 30% of the gross rental proceeds for the property owned by the foreign lease owner. It is strongly recommended that foreign lease owners retain the services of a CPA and/or IRS Certified Acceptance Agent to ensure compliance with applicable IRS rules and regulations:

<http://1.usa.gov/1O7u6NL>

5. TRANSACTION PRIVILEGE TAX

Transaction Privilege Tax (TPT) is charged by some cities on the owner's rental income. This TPT, or rental tax, is the responsibility of the lease owner but may be collected from the tenant with the rent if permitted by the lease agreement. The tax is filed by the lease owner or the property management company on either a monthly or quarterly basis. The filing period is determined by the applicable city and the tax rate is anywhere from 1.5% - 3% of the monthly rent. In addition, some cities collect their own privilege taxes; others choose the Arizona Department of Revenue to collect **the taxes for them. In some cases, it is the owner's responsibility to** apply for this license if the property management company does not have a master license for that city. After the city or state **receives the owner's application, a license will be issued and** mailed to the owner. Failure to pay the applicable sales tax could result in a penalty or fine by the city or town. For more information on the Transaction Privilege Tax go to:

www.azdor.gov/Business/TransactionPrivilegeTax.aspx



COMMON DOCUMENTS AND DISCLOSURES

1. RESIDENTIAL LEASE AGREEMENT

Owners should protect themselves by taking the time to read the residential lease agreement and understand their legal rights and obligations before they enter into a lease agreement. A sample Arizona Association of REALTORS® (AAR) lease agreement can be found at: <http://bit.ly/2was8qf>

Upon move in, a lease owner **must** furnish the tenant with a signed copy of the lease. A.R.S. §33-1321(C).

2. LEAD-BASED PAINT DISCLOSURE FORM

If the home was built prior to 1978, the lease owner **must** provide the tenant with a lead-based paint disclosure form. Information about lead-based paint may be obtained at: <http://bit.ly/1lewSue> or www.epa.gov/lead/

3. PROPERTY MANAGEMENT AGREEMENT

Lease owners electing to retain the services of a property manager should secure the retention by way of a written property management agreement that complies with the requirements set forth in A.R.S. §32-2173. A sample copy of AAR's Property Management Agreement can be found at: <http://bit.ly/2nDBcAe>

4. DISCLOSURES

The owner **must** disclose in writing all material (important) facts regarding the property, including all physical, environmental, and other conditions that affect the property and any violations of applicable building, zoning, fire, health, and safety codes. Failure to make legally required disclosures may result in civil liability. Changes in any disclosures previously made **must** be promptly conveyed. Although no specific form is required, the Residential Lease Owner's Property Disclosure Statement (RLOPDS) can assist a lease owner in complying with their disclosure obligations. By way of this form, the lease owner answers a variety of questions about the property and its condition. Once completed, a copy of the disclosure form is given to prospective tenants. The property manager/broker is not responsible for verifying the accuracy of the items on the RLOPDS so it is important for the lease owner to accurately complete this form to the best of their knowledge. A sample RLOPDS can be found at: <http://bit.ly/2Mv8Jug>

5. HOMEOWNERS ASSOCIATION (HOA) GOVERNING DOCUMENTS

If CC&Rs are recorded against the property, it is essential that the owner review and agree to any restrictions prior to leasing a property.

The Arizona Department of Real Estate (ADRE) advises:

"Read the deed restrictions, also called CC&Rs (covenants, conditions and restrictions). You might find some of the CC&Rs are very strict."

In addition to CC&Rs, HOAs may be governed by Articles of Incorporation, Bylaws, Rules and Regulations, and often architectural control standards. Read and understand these documents. Also, be aware that some HOAs may impose fees and require the lease owner to register the tenant. If a lease owner has questions about their rights and remedies regarding homeowners associations or community associations, additional information can be found at: <http://bit.ly/1rCq9kd> or Chapters 16 and 18 of the Arizona Revised Statutes - Title 33 <http://bit.ly/2nEAZN9>

6. MOVE-IN/MOVE-OUT INSPECTION

Upon move in, a lease owner **must** furnish the tenant with a move-in form upon which the tenant can specify any existing damage to the property, along with a written notification to the tenant that the tenant may be present at the move-out inspection. Upon request by the tenant, the lease owner shall notify the tenant when the move-out inspection will occur. A.R.S. §33-1321(C). Lease owners should keep a copy of the completed move-in form for their records and may also want to take photographs of the property at the time of move-in to document its condition. A sample of AAR's Move-in/Move-out Condition Checklist can be viewed at: <http://bit.ly/1P41VPQ>

7. SWIMMING POOLS & SPAS

Each city and county has its own swimming pool barrier ordinance and a lease owner should investigate and comply with all applicable state, county and municipal pool regulations. Pool barrier contact information for Arizona cities and counties may be found at: www.aaronline.com/documents/pool_contacts.aspx.

The Arizona Department of Health Services Private Pool Safety notice may be found at: http://azdhs.gov/phs/oeh/pool_rules.htm

The state law on swimming pools is located at: <http://bit.ly/2vJfhMk>



LEASE OWNER'S RIGHTS AND OBLIGATIONS

1. NOTICE

Unless otherwise agreed, all notices shall be sent registered or certified mail, or personally delivered. A.R.S. §33-1313.

2. FAIR HOUSING & DISABILITY LAWS

The Fair Housing Act prohibits discrimination in the sale, rental, and financing of dwellings based on race, color, national origin, religion, sex, familial status (including children under the age of 18 living with parents or legal custodians, pregnant women, and people securing custody of children under the age of 18), and handicap (disability). Visit HUD's Fair Housing/Equal Opportunity website at: <http://www.1.usa.gov/1pbD5iW> or <https://www.azag.gov/civil-rights/fair-housing>

For information on the Americans with Disabilities Act, or to file a complaint, visit http://www.ada.gov/ada_intro.htm and

3. QUALIFYING THE TENANT

The lease owner is encouraged to screen prospective tenants in a variety of different ways, including credit, criminal history, employment and rental history. A sample of AAR's Application for Occupancy can be found at: <http://bit.ly/1IFBvaD>

4. DEPOSITS & FEES

The lease agreement should specify which deposits/fees are refundable and which are not. A lease owner is not permitted to demand security, including prepaid rent, in an amount in excess of one and one-half month's rent. However, a tenant is not prohibited from voluntarily paying more than one and one-half month's rent in advance.

During the term of the lease the lease owner or lease owner's agent should hold the security deposit for the tenant. At the end of the lease all refundable deposits shall be refunded to the tenant pursuant to A.R.S §33-1321(G). The lease owner can subtract unpaid rent or repair costs from the security deposit. Within 14 business days after termination of the tenancy, delivery of possession and demand by the tenant, the tenant is entitled to receive an itemized list of any/all security deposit deductions together with the amount due and payable to the tenant. A.R.S §33-1321(D).

5. REPAIRS & PROPERTY CONDITION

Pursuant to Arizona law, the lease owner is generally responsible for ensuring that all "electrical, plumbing, sanitary, heating, ventilating, air-conditioning and other

good and safe working order and condition. A.R.S. §33-1324. It is the lease owner's responsibility to make sure that necessary repairs are made to keep the property in a fit and livable condition. Following notice, the lease owner has five days to make any repairs that materially affect the health and safety of the tenant(s) and 10 days to make any other requested repairs.

NOTE: Pursuant to A.R.S. §33-1324(C), the lease owner and tenant may agree in writing, supported by adequate consideration, that the tenant will perform the lease owner's duties to maintain a fit premises and perform specified repairs.

6. ACCESS TO THE PROPERTY BY LEASE OWNER OR LEASE OWNER'S REPRESENTATIVE

Unless the tenant requests repairs in writing, the lease owner **must** give the tenant at least two days' notice to enter the property during reasonable hours to make repairs, conduct inspections, have services completed or exhibit the property to prospective purchasers and tenants. The lease owner has the right to immediately enter the property in the event of an emergency or by court order. A.R.S. §33-1343.

7. TERMINATION OF THE LEASE

Unless the parties desire for the lease agreement to continue, written notice of intent not to renew the lease agreement shall be issued pursuant to the terms of the lease. If the lease continues on a month-to-month basis, absent prior written agreement, either the lease owner or the tenant may terminate by providing 30-days written notice prior to the periodic rental date (i.e. the date on which rent is due) per A.R.S. §33-1375(B).

A holdover tenant is someone who stays in the leased property after the express term of the lease has expired. The lease owner can choose to evict a holdover tenant or allow the tenant to continue living in the property on a month-to-month basis under the terms and conditions of the lease agreement.

8. FORECLOSURE

The lease owner shall not allow the property to become the subject of a trustee's sale and doing so may place the lease owner in breach of the lease agreement and subject them to civil liability. Within five (5) business days after receipt of a notice of trustee's sale, the lease owner shall provide the tenant with written notice. A.R.S. 33-1331(B). A failure by the lease owner to pay the mortgage does not eliminate the tenant's obligation to pay rent.



LEASE OWNER'S RIGHTS AND OBLIGATIONS (CONTINUED)

9. INSURANCE

Lease owners are encouraged to contact their property insurance carrier prior to leasing to discuss appropriate coverage:

<http://1.usa.gov/1it7SrE>

ADDITIONAL RESOURCES

INFORMATION ABOUT ARIZONA GOVERNMENT

Links to state agencies: www.az.gov

ARIZONA DEPARTMENT OF REAL ESTATE

Consumer Information: www.azre.gov/InfoFor/Consumers.aspx

ARIZONA ASSOCIATION OF REALTORS®

Find a REALTOR®: www.aaronline.com/

ENVIRONMENTAL CONCERNS

For information on **indoor environmental concerns**, the EPA has a host of resource materials and pamphlets available at

www.epa.gov/iaq/pubs/index.html

SECTION 8 HOUSING

Information regarding **Section 8** programs available through the Arizona Public Housing Authority can be found at:

<http://findsection8housing.org/> or

<http://bit.ly/2MN3W4w>

DRUG LABS

Residual contamination arising from the illicit manufacture of methamphetamine and other drugs carried out in clandestine drug laboratories presents a serious risk of harm to human and environmental health:

<http://bit.ly/2vOSdVA> (Voluntary Guidelines for Methamphetamine)



TOP 10 QUESTIONS YOU SHOULD ASK WHEN CONSIDERING HAVING YOUR PROPERTY PROFESSIONALLY MANAGED

1. Does the property manager possess an Arizona real estate license as required by Arizona law?

<http://services.azre.gov/publicdatabase/>

Generally speaking, individuals acting as residential leasing agents or on-site managers of residential rental property, who are performing residential leasing activities on residential income property at more than one location during the period of the agents' or on-site managers' regular workday, are required to maintain an Arizona real estate license. A.R.S. § 32-2121.

2. Does the brokerage with whom the property manager is affiliated permit its agents to engage in property management services?

Not all brokerages permit agents to engage in property management services and an agent should not perform property management activity without their broker's knowledge and consent.

3. Does the brokerage with whom the property manager is affiliated maintain a property management trust account, and if so, is the account held with an FDIC insured institution?

Arizona statute requires that all property management accounts be designated as trust accounts and that a broker's trust account is required for all of the owner's monies, except if the owner directs the broker to deposit the monies into the owner's account. A.R.S. § 32-2174.

4. Does the brokerage with whom the property manager is affiliated utilize a written property management agreement that complies with the requirements set forth in A.R.S. § 32-2173? <http://bit.ly/2Pb06DP>

Arizona statute mandates the material terms and conditions that are to be set forth in all property management agreements. A.R.S. § 32-2173.

5. Does the property manager maintain written tenant screening criteria that meet with your approval?

<http://bit.ly/1IFBvaD>

Property managers screen prospective tenants in a variety of different ways, including credit, criminal history, employment and rental history. You will want to ensure that your property manager screens applicants in a manner you deem sufficient.

6. How often and by what method does the property manager pay you and what account reconciliation methods are utilized by the property manager?

Terms of this nature should be set forth in detail in your written property management agreement and should meet with your approval.

7. Does the property manager maintain a written plan to market the property to potential tenants, and if so, does that plan meet with your approval?

Property managers market rental properties to prospective tenants in a variety of different ways. You will therefore want to ensure that your property manager has a plan in place to secure tenants and that the plan meets with your approval.

8. Does the property manager maintain a written plan for addressing repairs and what level of approval/supervision, if any, do you maintain over the manner in which repairs are made?

You and the property manager should agree in writing to what degree the property manager will assist you in the employment and supervision of contractors. The parties should further agree in writing whether you have the right to pre-approve expenditures in excess of an agreed upon sum of money.

9. How does the property manager handle repairs in excess of \$1,000, and if the property manager hires contractors to address those repairs, are the contractors licensed by the Arizona Registrar of Contractors?

Generally speaking, Arizona statute requires that any person engaging in any work or operation on one undertaking or project by one or more contracts, for which the aggregate contract price, including labor, materials and all other items (but excluding any electrical fixture or appliance that was designed by the manufacturer, that is unaltered) is \$1,000 or more, hold an Arizona contractor's license. A.R.S. § 32-1121.

10. Under what circumstances are you permitted to terminate the property management agreement?

Property management agreements must specify a beginning and ending date and contain cancellation provisions that are agreeable to both parties. If the property management agreement contains an automatic renewal provision, the property management firm must send the lease owner a reminder notice at least 30-days before the renewal date. A.R.S. § 32-2173.



Lease owner acknowledges receipt of all six pages of this advisory. Lease owner further acknowledges that there may be other disclosure issues of concern not listed in this advisory. Lease owner is responsible for making all necessary inquiries and consulting the appropriate persons or entities prior to the leasing of any property.

The information in this advisory is provided with the understanding that it is not intended as legal or other professional services or advice. These materials have been prepared for general informational purposes only. The information and links contained herein may not be updated or revised for accuracy. If you have any additional questions or need advice, please contact your own lawyer or other professional representative.

Lease Owner's Advisory

*A Resource for
Real Estate Consumers
Provided by the*



^LEASE OWNER SIGNATURE DATE

^LEASE OWNER SIGNATURE DATE





TO ENSURE THAT YOU HAVE THE MOST UP-TO-DATE
LEASE OWNER'S ADVISORY, PLEASE CHECK
<https://www.aaronline.com/manage-risk/other-advisories/>

DISCLOSURE OF INFORMATION ON LEAD-BASED PAINT AND LEAD-BASED PAINT HAZARDS (RENTALS)

Document updated:
January 2009



The pre-printed portion of this form has been drafted by the Arizona Association of REALTORS®. Any change in the pre-printed language of this form must be made in a prominent manner. No representations are made as to the legal validity, adequacy and/or effects of any provision, including tax consequences thereof. If you desire legal, tax or other professional advice, please consult your attorney, tax advisor or professional consultant.



1. Premises Address: _____

2. **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 taken care of properly. Lead exposure is especially harmful to young children and pregnant women. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Before renting pre-1978 housing, landlords must disclose the presence of known lead-based paint and lead-based paint hazards in the dwelling. Tenants must also receive a federally-approved pamphlet on lead poisoning prevention.

LANDLORD'S DISCLOSURE (Landlord must complete and initial sections a, b and c below)

7. (a) Lead-based paint and/or lead-based paint hazards (check 1 or 2 below):
8. 1. Landlord is aware that lead-based paint and/or lead-based paint hazards are present in the residence(s) and/or building(s) included in this rental. (Explain) _____
9.
10. 2. Landlord has no knowledge of any lead-based paint and/or lead-based paint hazards in the residence(s) and building(s) included in this rental.
11.
12. (LANDLORD'S INITIALS REQUIRED) _____

LANDLORD LANDLORD

13. (b) Records and reports available to the landlord (check 1 or 2 below):
14. 1. Landlord has provided the tenant with all available records and reports relating to lead-based paint and/or lead-based paint hazards in the residence(s) and building(s) included in this rental. (List documents) _____
15.
16. 2. Landlord has no records or reports relating to lead-based paint and/or lead-based paint hazards in the residence(s) and building(s) included in this rental.
17.
18. (LANDLORD'S INITIALS REQUIRED) _____

LANDLORD LANDLORD

19. (c) Landlord acknowledges his obligation to disclose to any real estate agent(s) to whom the landlord directly or indirectly is to pay compensation with regard to the transaction contemplated by this disclosure any known lead-based paint or lead-based paint hazards in the premises to be rented, as well as the existence of any reports or records relating to lead-based paint or lead-based paint hazards in the premises to be rented. Landlord further acknowledges that this disclosure accurately reflects the entirety of the information provided by the landlord to the agent(s) with regard to lead-based paint, lead-based paint hazards, and lead-based paint risk-assessment or inspection reports and records.
20.
21.
22.
23.
24.

(LANDLORD'S INITIALS REQUIRED) _____

LANDLORD LANDLORD

TENANT'S ACKNOWLEDGMENT (Tenant must complete and initial sections a and b below)

25. (a) Tenant has read the information set forth above, and has received copies of the reports, records, or other materials referenced above, if any.
26.
27. (TENANT'S INITIALS REQUIRED) _____

TENANT TENANT

28. (b) Tenant has received the pamphlet *Protect Your Family From Lead in Your Home*.
29. (TENANT'S INITIALS REQUIRED) _____

TENANT TENANT

AGENT'S ACKNOWLEDGMENT (Any real estate agent who is to receive compensation from the landlord or the property manager with regard to the transaction contemplated in this disclosure must initial below.)

30. The agent(s) whose initials appear below has (have) ensured the landlord's compliance under the Residential Resale Lead-Based Paint Hazard Reduction Act of 1992 by the landlord's use and completion of this disclosure form.
31.
32.

(AGENT'S INITIALS REQUIRED) _____

PROPERTY MANAGER/LISTING AGENT LEASING AGENT

CERTIFICATION OF ACCURACY

33. By signing below, each signatory acknowledges that he or she has reviewed the above information, and certifies that, to the best of his or her knowledge, the information provided by the signatory is true and accurate.
34.

35. _____ MO/DA/YR ^ TENANT'S SIGNATURE _____ MO/DA/YR
^ LANDLORD'S SIGNATURE

36. _____ MO/DA/YR ^ TENANT'S SIGNATURE _____ MO/DA/YR
^ LANDLORD'S SIGNATURE

37. _____ MO/DA/YR ^ LEASING AGENT'S SIGNATURE _____ MO/DA/YR
^ PROPERTYMANAGER/LISTING AGENT'S SIGNATURE



Lead-Based Paint Disclosure: Tips for Rentals of Residential Properties — Steps for REALTORS® to follow

NOTE: The lead-based paint disclosure requirements apply to all real estate agents involved in the transaction except for tenant's agents receiving compensation from the tenant only. The following recommended steps are provided to help REALTORS® meet the law's obligations in a typical residential rental transaction.

1. When entering into an agreement to manage a property, the property manager/listing agent (hereinafter "property manager") should determine if the property is "target housing" (generally, built before January 1, 1978). This can generally be accomplished by asking the landlord/owner ("the owner"). If the owner doesn't know, the property manager should consult property records.

The property manager should also determine if the property falls within an exemption from the lead-based paint disclosure requirements. For example, if a certified inspector has determined that the property is free from lead-based paint and lead-based paint hazards, or if the lease is for less than 100 days with no opportunity for renewal or extension, the disclosure requirements will not apply. Even if an exemption applies, the property manager should have the owner complete and sign the disclosure form, acknowledging in writing the claimed basis for the exemption. If an exemption applies, the disclosure form need not be given to potential tenants.

2. The lead-based paint disclosure requirements became effective for all "target housing" on December 6, 1996. All target housing will require the following steps.

3. If the property is target housing, the property manager must advise the owner of certain obligations, namely the following: 1) disclose to the tenant known lead-based paint or lead-based paint hazards; 2) provide the tenant any existing records, test results, reports, or other known lead-based paint information related to the presence of lead-based paint or lead-based paint hazards in the property, if any; 3) provide the tenant with the pamphlet *Protect Your Family From Lead in Your Home* (EPA approved lead-based paint hazard information pamphlet); and 4) include disclosure and acknowledgment language as part of the rental contract or addenda. (NOTE: The law does not require that all interested tenants must be informed, only the actual tenant.)

4. The property manager should have the owner complete, initial and sign the disclosure form. The property manager should obtain from the landlord any records, test results, reports, or other lead-based paint information related to the presence of lead-based paint or lead-based paint hazards in order to be ready to provide copies to a tenant making an offer to rent the property. The property manager should then initial and sign the form.

5. The property manager should disclose to potential leasing agents that the listed property is target housing, probably through the MLS or other offerings to REALTORS®.

6. The leasing agent (the agent working with the tenant who expects to be paid by the property manager or the owner — whether it be tenant's agent, subagent, "facilitator," or whatever) also has an obligation to ensure the owner's compliance. If the disclosure form has not been provided by the property manager, the leasing agent should provide the disclosure form to the property manager for the owner to complete and sign, or directly to the owner if no property manager is involved.

7. When the tenant is ready to make an offer on target housing, the leasing agent should provide the tenant with a copy of the disclosure form signed by the owner and the property manager, together with related test results and records, if any, and a copy of *Protect Your Family From Lead in Your Home*. Ideally, these documents will be obtained by the leasing agent from the property manager before the offer is signed by the tenant, but the signed disclosure form with attachments must be provided to the tenant before the offer to rent is accepted by the owner.

8. The disclosure form must be initialed and signed by the tenant and the leasing agent, which should be done after the owner and the property manager have initialed and signed the form. (By initialing line 32 of the AAR Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards (Rentals) form, signing the Certification, and complying with the other terms of this AAR form, both the property manager and leasing agent will have met their obligations under the law.)

