

**OGDEN & COMPANY, INC., AMO®
FULL SERVICE MANAGEMENT SERVICES AGREEMENT-MULTI FAMILY**

Start Date: December 1, 2019

End Date: November 30, 2020

Owner's Name: Beloit Road Senior Apartments, LLC

Owner's Address: 7525 W. Greenfield Avenue, West Allis, WI 53214

Contact: Luke Radomski

Phone: 414-302-8429

Email: lradoski@westalliswi.gov

Property Name: Beloit Senior Housing

**Property Addresses: 2505-2529 S. 72nd Street, West Allis, WI
7211-7341 W. Dreyer Place, West Allis, WI
7205-7333 W. Beloit Road, West Allis, WI**

Description of Property: Multi-Family Tax Credit Apartment building

Number of Units: 104 Multi Family units

THIS AGREEMENT, made and entered into effective on the 26th day of November, 2019 by and between Ogden & Company, Inc. (hereinafter the "Agent") and Beloit Senior Apartments, LLC (hereinafter the "Owner").

- 1. Appointment of Agent.** Owner hereby appoints Agent, and the Agent accepts appointment to act solely as the exclusive Agent of Owner to manage the property described above upon the terms and conditions provided herein. Agent accepts the appointment and agrees to furnish the services of its organization for the management of the Owner's property; and Owner agrees to pay all expenses in connection with those services.
- 2. Term of Agreement.** The Owner appoints Agent exclusively to lease and manage the Property for a period of one (1) year beginning December 1, 2019 and ending November 30, 2020, and thereafter for periods of one (1) year unless this Agreement is terminated as provided herein.
- 3. Duties of the Agent.** Agent shall manage the Property to the extent, for the period and upon the terms of this Agreement. The Agent shall assist the Owner in the administration of the Owner's multi-family residential property. The Agent shall be responsible for directing and/or implementing the general management policy decisions of the Owner with respect to the property and affairs of the Owner and shall be subject to the Owner with respect to matters of policy, but shall be entitled to exercise its discretion in the details of implementation of such policies and the Owner does hereby give Agent the authority and powers to perform and provide those services set forth in Attachment A, and no others.

4. Leasing. Agent agrees to provide leasing and management services.

- A. Agent's Authority to Lease Premises.** Agent shall use all reasonable efforts to keep the Property rented by procuring tenants. Agent is authorized to negotiate, prepare, and execute all leases, including all renewals and extensions of leases. All costs of leasing shall be paid out of the Operating and/or Reserve Accounts.
- B. Rental Rates.** The Agent shall be the exclusive collection agent for the Owner to collect all rents that may be due to the Owner. In the name of the Owner the Agent shall have the authority to bill, request, demand, collect, receive and give receipt for all rents that may be due to the Owner. Agent is authorized to establish and change or revise all rents, fees or deposits and any other charges chargeable with respect to the Premises.
- C. No Other Rental Agent.** During the term of this Agreement, Owner shall not authorize any other person, firm or corporation to negotiate or act as leasing or rental Agent with respect to any leases for space in the Premises.
- D. Enforcement of Leases (Strike, if not applicable).** Agent is authorized to institute, in Owner's name, all legal actions or proceedings for the enforcement of any lease term for the collection of rent or other income from the Premises or for the eviction or dispossessing of tenants or other persons from the Premises. Agent is authorized to sign and serve such notices as Agent deems necessary for lease enforcement, including the collection of rent or other income. Agent is authorized, when expedient, to settle, compromise and release such legal actions or suits or reinstate such tenancies. Any monies for such settlements paid out by Agent shall not exceed \$1,500 without prior approval by Owner. Attorneys' fees, filing fees, court costs, and other necessary expenses incurred in connection with such actions and not recovered from tenants shall be paid out of the Operating and/or Reserve Accounts or reimbursed directly to Agent by Owner. Agent may select the attorney of its choice to handle such litigation.

5. Staffing. The Agent shall employ, supervise, discharge and pay all employees or independent contractors who are required in the proper management and operation of the Property. The Agent shall pay all employees and independent contractors and fully complete all necessary federal and state tax withholdings and payments of the unemployment taxes and related taxes at the expense of the Owner.

6. Fees, Compensation, and Expenses.

Owner will pay Agent a monthly management fee 5.0% of gross collected income (minimum \$2,500.00 per month) and a leasing fee of \$350.00 per newly signed lease. A set-up fee of \$1,560.00 will be billed for computer and data entry upon inception of this agreement. The management fee will be fixed for the current year and be adjusted annually upon approval of Owner.

Maintenance and repair services will be charged at cost. Other expenses, if applicable, will be charged as required and detailed on Attachment B.

Non-routine services such as insurance claim administrations, assisting in legal process due to eviction or other law suits, ad valorem tax work, extensive market study or analysis, due diligence assistance in the event of purchase or sale of a property or other consulting services incurred by Agent or assigned personnel, as applicable will be negotiated on a per occurrence basis.

Fifty percent (50%) of the total balance of late fees negotiated and collected by Agent from tenants of the property will be retained by Agent as reimbursement for such collection efforts.

7. **Duties of the Owner.** In the event that the balance in the operating account is at any time insufficient to pay disbursements due and payable for the property, Agent shall promptly inform the Owner of the deficit and the Owner shall then remit to Agent sufficient funds to cover the deficiency within 10 days. If following 30 days written notice, the Agent shall have the right to terminate this Agreement if sufficient funds have not been remitted to the Agent by the Owner to cover such deficiency. In no event shall the Agent be required to use its own funds to pay such deficiencies. Termination of this Agreement by the Agent as described in this section shall not release the Owner of any obligation under this agreement prior to termination.

In addition to Agent's right to terminate due to insufficient funds, in the event Owner fails to provide or advance sufficient funds to Agent, Agent has authority to access and utilize such funds available either in the Operation and/or Reserve Accounts or security deposits to pay disbursements due and payable for the property.

Agent is authorized to negotiate contracts for non-recurring items of expense, not to exceed \$5,000.00 without prior notification to Owner and to enter into agreements in Owner's name for all necessary repairs, maintenance, minor alterations and utility services. Agent shall, in Owner's name and at Owner's expense, make contracts on Owner's behalf for electricity, gas, telephone, fuel, water/sewer, and such other services as Agent shall deem necessary or prudent for the operation of the Premises. All utility deposits shall be the Owner's responsibility, except that Agent may pay same from the Operating and/or Reserve Accounts at Owner's request. Owner understands that many vendors' invoices for services or costs attributable to the property may be in the Agent's name or on a consolidated account. Owner understands Agent has contracted in good faith and Owner agrees to pay such amounts even after this contract is terminated for any reason.

Agent shall have no obligation to advance funds to the Owner for any purpose whatsoever. Any funds advanced to the Owner by the Agent shall be repaid to the Agent immediately upon presentation of a valid invoice. Except in the case of a bona fide dispute thereto, any sum due Agent under any provision of this Agreement and not paid within sixty (60) days after such sums become due shall bear interest at the rate of 18.0% per annum. Following the resolution of such dispute, any sum due to Agent shall bear interest if not paid within sixty (60) days from the date the dispute is resolved.

8. **Relationship of Agent to Owner.** The relationship of the parties to this Agreement shall be that of Principal and Agent and all duties to be performed by Agent in accordance with this Agreement shall be for and on behalf of the Owner, in Owner's name and for Owner's account. In taking any action under this Agreement, Agent shall be acting only as Agent for Owner and nothing in this Agreement shall be construed as creating a partnership, joint venture, or any other relationship between the parties to this Agreement, except that of Principal and Agent, nor as requiring Agent to bear any portion of losses arising out of or connected with the management or operation of the Premises, except as otherwise set forth in this Agreement and excepting any losses or liability resulting from negligent or willful actions performed by Agent that are contrary to law. At no time during the period of this Agreement shall Agent be considered a direct employee of Owner. Neither party shall have the power to bind or obligate the other except as expressly set forth in this Agreement, except that Agent is authorized to act with such additional authority and power as may be necessary to lawfully carry out the spirit and intent of this Agreement. Neither party shall be responsible or liable for the other party's unlawful actions.

9. **Communication.** It is expected that all parties will communicate openly and keep each other informed of all relevant activities and/or issues and that we will work as part of an integral team. Confidentiality

is expected on the part of all parties not to share data compiled specific to this project. E-mail shall be the preferred method of communication between the parties whenever appropriate and possible.

10. **Owner's Designee.** Owner shall designate one person who shall be authorized to deal with Agent on any matter relating to the management of the Property. Agent shall not accept directions or instructions with regard to the management of the Property from anyone else. In the absence of any other designation by the Owner, the Managing Member of the Owner, if any, shall be deemed to have this authority.

11. **Insurance, Liability and Indemnification**

A. **Liability Insurance.** Owner shall obtain and keep in force adequate insurance against physical damage (e.g., fire with extended coverage endorsement, boiler and machinery, etc.) and against liability for loss, damage or injury to property or persons which might arise out of the occupancy, management, operation or maintenance of the Premises. The amounts and types of insurance shall be acceptable to both Owner and Agent and any deductible required under such insurance policies shall be the Owner's expense. Agent shall be covered as an additional insured on all liability insurance maintained with respect to the Premises. Liability insurance shall be adequate to protect the interests of both Owner and Agent and in form, substance and amounts reasonably satisfactory to Agent. Owner agrees to furnish Agent with certificates evidencing such insurance or with duplicate copies of such policies within ten (10) days of the execution of this Agreement. If Owner fails to do so, Agent may, but shall not be obligated to place said insurance and charge the cost thereof to the Operating and/or Reserve Accounts. Said policies shall provide that notice of default or cancellation shall be sent to Agent as well as Owner and shall require a minimum of 30 days written notice to Agent before any cancellation of or changes to said policies.

B. **Indemnification** Owner and its members (collectively "Owner Parties") shall indemnify, defend and hold harmless the Agent, its directors, officers, shareholders, employees, agents or representatives (collectively "Agent Parties"), from any such liability for damages, costs and expenses, including reasonable attorneys' fees, arising from injury to any person or property resulting from or arising out of or in any way connected with the Owner's negligent and willful performance of work under this Agreement in connection with the Owner's property, open spaces and recreation areas, from any other cause whatsoever, including unlawful discriminatory acts by Owner, except to the extent such injury shall be caused by the Agent Parties' negligence or willful misconduct. Nothing contained within this Agreement is intended to be a waiver or estoppel of the Owner or its insurer to rely upon the limitations, defenses and immunities contained within Wisconsin Statutes sections 893.80 and 345.05. To the extent that indemnification is available and enforceable, the Owner or its insurer shall not be liable in indemnity, contribution or otherwise for an amount greater than the limits of liability for municipal claims established by Wisconsin law.

Agent shall indemnify, defend and hold harmless the Owner Parties from any such liability for damages, costs and expenses, including reasonable attorneys' fees, arising from injury to any person or property resulting from or arising out of or in any way connected with the Agent's negligent or willful performance of work under this Agreement in connection with the Owner's property, open spaces and recreation areas, from any other cause whatsoever, including unlawful discriminatory acts by Agent, except to the extent such injury shall be caused by the Owner Parties' negligence or willful misconduct.

In the event claims, losses, damages, or expenses are caused by the joint or concurrent negligent or willful acts of the parties they shall be borne by each party in proportion to their respective fault as determined by a court or administrative body of competent jurisdiction.

The Agent shall certify to the Owner that it possesses sufficient liability insurance coverage to indemnify the Owner Parties for costs, expenses, loss or damage, resulting from Agent's actions as described in the immediately preceding paragraphs in this Section.

C. Indemnification Survives Termination All representations and warranties of the parties contained herein shall survive the termination of this Agreement. All provisions of this Agreement that require the parties to have insured or to defend, reimburse, or indemnify the other party shall survive any termination; and if a party is or becomes involved in any proceeding or litigation by reason of liability arising from this Agreement, such provisions shall apply as if this Agreement were still in effect.

D. Agent Assumes No Liability Agent assumes no liability whatsoever for any acts or omissions of Owner, or any previous Owners of the Premises, or any previous management or other Agent of either. Except as otherwise set forth in this Agreement, Agent assumes no liability for any failure of or default by any tenant in the payment of any rent or other charges due Owner or in the performance of any obligations owed by any tenant to Owner pursuant to any lease or otherwise. Agent assumes no liability for previously unknown violations of environmental or other regulations which may become known during the period this Agreement is in effect. Any such regulatory violations or hazards discovered by Agent shall be brought to the attention of Owner in writing and Owner shall promptly cure them.

12. Litigation Expenses Each party shall be responsible for its own expenses incurred in connection with any claim, proceeding or suit alleging they have violated any law pertaining to fair employment, fair credit reporting, environmental protection, rent control, taxes, or fair housing, including, but not limited to, any law prohibiting or making illegal discrimination on the basis of race, sex, creed, color, religion, national origin or mental or physical handicap, provided, however, Owner shall be responsible to Agent for any such expenses in the event Agent violated any such law at the direction of Owner.

13. Termination.

A. Causes of Termination. This Agreement may be terminated by either at the end of the initial term, any renewal period or during any time that the executed agreement remains valid, provided written thirty (30) day notice is given to the other party on or before the first (1st) day of the calendar month or under the following circumstances:

- i. **Default of Owner:** Agent may terminate Agreement if the Owner fails to pay any amount due and such failure continues for thirty (30) days after Owner's receipt of written notice of such failure;
- ii. **Material Breach:** If either party commits a Material Breach of its obligations under this Agreement, the other party may terminate this Agreement by giving the breaching party at least thirty (30) days' written notice, except that any such notice will not result in termination if the breaching party cures that breach before the thirty-day period elapses. For purposes of this Agreement, "Material Breach" is defined as "a violation of a fundamental term or condition of the contract which serves to undermine the agreement as a whole."
- iii. **Bankruptcy or Insolvency:** By either party, effective immediately, if either party files, or has filed against it, a petition for voluntary or involuntary bankruptcy, or

pursuant to any other insolvency law, makes or seeks to make a general assignment for the benefit of its creditors or applies for, or consents to, the appointment of a trustee, receiver or custodian for a substantial part of its property provided such petition is not dismissed or withdrawn within sixty (60) days of filing.

- B. Effect of Termination.** The termination of this Agreement, for any reason, shall not release either Party from any obligation or liability to the other Party, including any payment obligation that has already accrued hereunder and the Owner's obligation to reimburse Agent for all products and services ordered by the Agent as of the date of termination of this Agreement. Following the termination of this Agreement, the Agent will promptly invoice the Owner for any outstanding amounts/fees and expenses due and owing under this Agreement, and the Agent shall pay all such amounts/fees and expenses upon receipt of funds from Owner. Any ongoing eviction and collections actions will be concluded through judgment and collection at Agent's discretion.
- 14. Sale of the Property.** In the event that the property is contemplated for sale by Owner during the period of this Agreement, Owner agrees to provide Agent with an opportunity to negotiate and offer Agent's services to represent Owner in the transaction. Such terms of representation shall be included in a separately negotiated sales agreement. Upon transfer of Ownership, this Agreement shall terminate by mutual consent of Owner and Agent.
- 15. Representations.** Owner represents and warrants that Owner has full power and authority to enter into this Agreement; that there are no written or oral agreements affecting the Premises other than tenant leases, copies of which have been furnished to Agent; that there are no recorded easements, restrictions, reservations or rights of way which adversely affect the use of the Premises for the purposes intended under this Agreement; that to the best of Owner's knowledge, the property is zoned for the intended use; that all leasing and other permits for the operation of the Premises have been secured and are current; that the building and its construction and operation do not violate any applicable statutes, laws, ordinances, rules, regulations, orders or the like (including, but not limited to, those pertaining to hazardous or toxic substances); that the building does not contain any asbestos, urea, formaldehyde, radon or other toxic or hazardous substance; and that no unsafe conditions exist. Owner represents and warrants to Agent that none of the following matters are affecting the Premises or its use: current governmental orders or code violations; accounts payable for a period of thirty (30) days or more; current legal cases or litigation; current or known insurance claims and no other adverse matters to the best of Owner's knowledge.
- 16. Building Compliance and Disclosure.** Agent does not assume and is given no responsibility for compliance of the Premises or any building thereon or any equipment therein with the requirements of any building codes or with any statute, ordinance, law, or regulation of any governmental body or of any public authority or official thereof having jurisdiction, except to notify Owner promptly or forward to Owner promptly any complaints, warnings, notices or summons received by Agent relating to such matters.

Owner represents and warrants that to the best of Owner's knowledge the Premises and all such equipment comply with all such requirements and Owner authorizes Agent to disclose the Ownership of the Premises to any such officials and agrees to indemnify and hold Agent, its representatives, servants and employees, harmless of and from all loss, cost, expense and liability whatsoever, which may be imposed by reason of any present or future violation or alleged violation of such laws, ordinances, statutes or regulations.

Owner represents and warrants to Agent that none of the following matters are affecting the Premises

or its use: current governmental orders or code violations; accounts payable thirty (30) days or older; known or pending litigation; known or anticipated insurance claims or any other matter that may adversely affect the Premises or the Agent's ability to perform under this Agreement.

- 17. Owner Responsibility for Payments.** Upon termination of or withdrawal from this Agreement by either party, the Owner shall assume obligations of any contract or outstanding bill executed by Agent under and in accordance with this Agreement for and on behalf of the Owner and responsibility for payment of all unpaid bills. In addition, the Owner shall furnish Agent reasonable security, in an amount satisfactory to Agent which shall not exceed 150% of the amount of any obligations or liabilities which Agent may have properly incurred on the Owner's behalf under this Agreement.

Agent may withhold funds for ninety (90) days after the end of the month in which this Agreement is terminated, in order to pay bills previously incurred but not yet invoiced and to close accounts. Agent shall deliver to the Owner within ninety (90) days after the end of the month in which this Agreement is terminated, any balance of monies due to the Owner which were held by Agent with respect to the Property, as well as a final accounting reflecting the balance of income and expenses with respect to the Property as of the date of termination or withdrawal and all records, contracts, leases, receipts for deposits, and other papers or documents which pertain to the Property.

- 18. Lien Rights.** AS REQUIRED BY THE WISCONSIN CONSTRUCTION LIEN LAW, AGENT HEREBY NOTIFIES OWNER THAT PERSONS OR COMPANIES PERFORMING, FURNISHING, OR PROCURING LABOR, SERVICES, MATERIALS, PLANS, OR SPECIFICATIONS FOR THE CONSTRUCTION ON OWNER'S LAND MAY HAVE LIEN RIGHTS ON OWNER'S LAND AND BUILDINGS IF NOT PAID. THOSE ENTITLED TO LIEN RIGHTS, IN ADDITION TO THE UNDERSIGNED AGENT, ARE THOSE WHO CONTRACT DIRECTLY WITH THE OWNER OR THOSE WHO GIVE THE OWNER NOTICE WITHIN 60 DAYS AFTER THEY FIRST PERFORM, FURNISH, OR PROCURE LABOR, SERVICES, MATERIALS, PLANS OR SPECIFICATIONS FOR THE CONSTRUCTION. ACCORDINGLY, OWNER PROBABLY WILL RECEIVE NOTICES FROM THOSE WHO PERFORM, FURNISH, OR PROCURE LABOR, SERVICES, MATERIALS, PLANS, OR SPECIFICATIONS FOR THE CONSTRUCTION, AND SHOULD GIVE A COPY OF EACH NOTICE RECEIVED TO THE MORTGAGE LENDER, IF ANY. AGENT AGREES TO COOPERATE WITH THE OWNER AND THE OWNER'S LENDER, IF ANY, TO SEE THAT ALL POTENTIAL LIEN CLAIMANTS ARE DULY PAID.

- 19. Force Majeure.** Any delays in the performance of any duty or obligation under this Agreement shall be excused to the extent that such delays are caused by wars, national emergencies, natural disasters, strikes, labor disputes, utility failures, governmental regulations, riots, adverse weather and other similar causes not within the control of Agent and any time periods for performance shall be extended accordingly.

- 20. Rights Cumulative; No Waiver.** No right or remedy herein conferred upon or reserved to either of the parties to this Agreement is intended to be exclusive of any other right or remedy and each and every right and remedy shall be cumulative and in addition to any other right or remedy given under this Agreement or hereafter legally existing upon the occurrence of an event of default under this Agreement. The failure of either party to this Agreement to insist at any time upon the strict observance or performance of any of the provisions of this Agreement, or to exercise any right or remedy as provided in this Agreement, shall not impair any such right or remedy or be construed as a waiver or relinquishment of such right or remedy with respect to subsequent defaults. Every right and remedy given by this Agreement to the parties may be exercised from time to time and as often as may be deemed expedient by those parties.

- 21. Complete Agreement.** This Agreement, including any specified attachments, constitutes the entire

agreement between the Owner and the Agent with respect to management and operation of the Property and supersedes and replaces any and all previous management agreements entered into and/or negotiated between the Owner and Agent relating to the Property covered by this Agreement. No change to this Agreement shall be valid unless made to supplemental written agreement executed and approved by the Owner and Agent. Except as otherwise provided herein any and all amendments, additions or deletions to this Agreement shall be null and void unless approved by the Owner and Agent in writing. Each party to this Agreement hereby acknowledges and agrees that the other party has made no warranties, representations, covenants, or agreements, expressed or implied, to such party other than those expressly set forth herein and that each party, in entering into and executing this Agreement, has relied upon no warranties, representations, covenants or agreements, expressed or implied, to such party, other than those expressly set forth herein.

- 22. Applicable Law.** The execution, interpretation and performance of this Agreement shall be governed by the laws of the State of Wisconsin. Any dispute shall be resolved before a proper court of jurisdiction in Milwaukee County. It is the parties' intent that an electronically executed copy of this Agreement served on the other party by fax or email shall be as enforceable as hard written signatures on paper copies and shall be given the full weight of an executed document under applicable Wisconsin law. It is understood that the Agreement will readily be signed in counterparts on separate signature pages and each party represents their intent that such counterpart signatures be given the full weight of an executed document under applicable Wisconsin law.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized officers on the day and year written above.

Owner:
Beloit Road Senior Apartments, LLC

By: John Stibal
Name: John Stibal
Title: Executive Director

Approved as to form on 11/26/19
Karl Decker
Karl Decker, City Attorney

Agent:
Ogden & Company, Inc.

By: Susan Fellows
Susan Fellows, Broker, COS,
Executive Vice-President
Ogden & Company, Inc. AMO®
1665 N. Water Street
Milwaukee, Wisconsin 53202
Phone: 414-276-5285
Fax: 800-507-5516
Email: susanf@ogdenre.com

Attachment A: Management Services

The following services are examples of the types of services that may be provided. It is not an exhaustive or exclusive list. Agent may decide a service is inappropriate for this property and Agent will not perform. The Agent may provide the following services:

1. **Low-Income Housing Credit:** Operate the Development in compliance with the low-income housing credit provisions of WHEDA and Section 42, Internal Revenue Code of 1986 and Section 1602 of the American Recovery and Reinvestment Act of 2009 Program, as amended (the "Program"), and to ensure Owner can claim the maximum amount of tax credits under the Program.
2. **Financial Management**
 - A. Develop Annual operating budget. The Agent will submit a budget to the Owner by the date established by the Owner, or if applicable, thirty (30) days prior to the commencement of the fiscal year. Monitor spending per the annual budget.
 - B. Provide monthly financial statements, which includes a balance sheet, income/expense report, check register, check distribution report, accounts receivable/payable report, general ledger, pre-paid dues report, delinquency report and bank statements. Monthly financial reports are developed on an accrual basis of receipts and disbursements. Monthly financial statements will be delivered to owner by the 15th (or next business day) of the month unless agent notifies owner in advance.
 - C. Maintain accounting records in a manner to facilitate an annual audit and the preparation of tax returns by an independent certified public accountant. Such records will be kept at the office of the Agent and will be available for inspection by the Owner and/or Owner's representative during regular business hours. Provide 1099 forms at year-end to all service providers, if applicable.
 - D. Deposit all funds collected from the tenants or otherwise accruing to the Owner in an account or accounts established for the benefit of the Owner. All such costs of establishing said account(s) shall be paid for by the Owner.
 - E. Establish separate accounts known as the Operating and/or Reserve Account, separate and apart from Agent's corporate accounts, for the deposit of receipts collected in a bank or other institution whose deposits are insured by the federal government. Such depository shall be selected by the Agent. However, Agent shall not be held liable in the event of bankruptcy or failure of a depository. Funds in the Operating and/or Reserve Accounts remain the property of the Owner subject to disbursement of expenses by Agent. Work with the Owner to maintain a reserve fund for future capital improvement projects.
 - F. Disburse funds for the Owner for bills or disbursement vouchers. The Agent shall make all disbursements from assessments collected for normal recurring expenses as provided by the Owner's approved budget. The Agent will be granted the authority to make any budget expenditures as provided in the approved budget at the Agent's own discretion. All non-standard budget expenditures (exceeding \$1,000.00) and variations above the approved budget (exceeding \$1,000.00) will be made only with the prior approval of the Owner, except in the case of emergency which require prompt action to avoid further loss, damage or injury.
 - G. Purchase equipment, tools, goods, supplies and materials reasonably necessary to perform its duties including but not limited to maintenance, upkeep, repair, replacement, refurbishing and preservation of the Owner's property, as well as its open and recreational spaces, out of the funds of the Owner. In order to properly perform the services required by this Agreement the Agent is authorized to engage, on behalf of the Owner, any entity that is an affiliate of the Agent, provided that the compensation paid for services shall be competitive with non-affiliated entities providing the same or similar services. Purchases shall be made in the name of the Owner. When making purchases the Agent shall make an effort to obtain the best price available for the service requested and to use bulk buying power whenever available.

H. If required by law, maintain a separate interest-bearing account for tenant security deposits. Such account shall be maintained in accordance with applicable state or local laws, if any.

2. Administrative

- A. Assist the Owner in the maintenance and retention of corporate records, including but not limited to minutes, membership lists, financial records and books, account and other records required to be kept by the Owner.
- B. Make recommendations to the Owner as to the form or forms of insurance that may be required or are necessary to preserve and protect the Owner and its property. The Agent shall assist the Owner in obtaining the required and necessary insurance policies and coverage.
- C. Negotiate on behalf of the Owner for the maintenance and service contracts that are needed by the Owner.
- D. Take all action necessary to comply with all laws, statutes, ordinances or rules of all appropriate governmental authorities.
- E. The Agent, at the direction and subject to the approval of the Owner, and at the expense of the Owner, shall retain and employ attorneys at law, accountants, and other such experts and professionals whose services are reasonably required by Agent to perform its duties effectively and to exercise its powers hereunder.

3. Property Supervision

- A. Keep the grounds, lands, appurtenances, and those portions of the property to be maintained, repaired, including but not limited to, landscaping, re-landscaping, painting, roofing, cleaning and such other normal maintenance and repair work as may be necessary. For any one item of repair, replacement or refurbishing the expense incurred may not exceed the sum of \$1,500.00 unless specifically authorized by the Owner Except however, that emergency repair involving danger, safety or harm to persons or property or required to avoid suspension of necessary services to the property, may be made by Agent irrespective of the above limitation. Notwithstanding this authority as to emergency repairs, it is understood that the Agent will, if at all possible, confer immediately with the Owner regarding said expenditure.
- B. The Owner grants to the Agent access to each individual unit during reasonable hours when necessary for the maintenance, repair or replacement of the areas of the property contained therein or accessible there from or for the making of emergency repairs necessary for the protection and preservation of the multi-family residential property.
- C. The Agent shall review those items of the operating budget pertaining to the care and maintenance of the property.
- D. Establish an emergency call system for the Owner and its tenants and inform tenants of the 24 hours, 7 day-a-week emergency call service.

Attachment B: Property Expenses

1. **Leasing Fee:** Owner shall pay Leasing Agent a Leasing Fee of \$350.00 per newly signed lease.
2. **Registration fees (if applicable):** An update or registration with DNS (Department of Neighborhood Services) or similar municipal entity will be performed if needed at a flat fee of \$85.00 per Tax Key. In addition, any fees charged by the DNS or Municipality shall be the responsibility of Owner.
3. **Ogden Partner Program –** Owner shall pay Agent a Payroll Administrative Fee of 22% per pay period/per on-site employee, if applicable, in addition to the on-site employee's salary, which includes all payroll taxes, payroll fees, worker's compensation, liability insurance, human resource services, etc.

Maintenance and Repair Services

1. Repairs and maintenance by local vendors will be charged at cost.
2. A minimum of three (3) proposals will be provided for specialized repairs when requested specifically by the Owner.
3. Any expenses not related to the approved contracted services exceeding \$2,500.00 require the prior approval of the Owner unless the situation requiring work is considered an emergency.

Other Expenses, if Applicable

1. Communication expenses such as postage, copies and courier services for property related expenses only. Cost to property is 15 cents for B&W copies, 35 cents for colored copies and actual cost of postage plus 25cents for envelope.
2. Advertising expenses for the property at actual cost.
3. Eviction– A fee of \$35.00 plus court fees per eviction event, for coordinating the eviction, if applicable, plus moving expenses if property uses Bruck Legal Firm for evictions and collections, otherwise costs for a different firm could exceed the quoted fee. Billed directly to the property.
4. Collection Services. Owner shall receive 50% of monies collected through collection procedures if property uses Bruck Legal Firm for evictions and collections, otherwise costs for a different firm could exceed the quoted fee. Billed directly to the property