

**FIVE STAR REALTY**

170 E Corral Avenue Suite 1

Soldotna, Alaska 99669

Email: [fivestar@acsalaska.net](mailto:fivestar@acsalaska.net)

Website: [www.buyfivestarak.com](http://www.buyfivestarak.com)

Phone: 907-262-2880 Fax: 907-260-2624

**PROPERTY MANAGEMENT AGREEMENT**

\_\_\_\_\_ (hereafter called "**OWNER**") and **FIVE STAR REALTY**  
(hereafter called "**AGENT**") agree as follows:

**APPOINTMENT OF BROKER:** The **OWNER** hereby appoints and grants broker the exclusive right to rent, lease, operate and manage the property or properties known as: \_\_\_\_\_ and any additional property which may later be added to this Agreement (collectively "Property") upon the terms below, for one year from the date of this Agreement and ending at 11:59 p.m. one year from the beginning date of this Agreement. If either **BROKER** or **OWNER** wishes to terminate the Agreement at the expiration of the Agreement a written thirty-day notice must be given.

**BROKER ACCEPTANCE:** **BROKER** accepts the appointment and grants and agrees to:

1. Use due diligence in the performance of this Agreement.
2. Furnish the services of its organization for the rental, leasing, operating and management of the Property.

**AUTHORITY AND POWERS:** **OWNER** grants to **BROKER** the authority and power at **OWNER'S** expense to:

1. **ADVERTISE:** Display "for rent", or "for lease", and similar signs on the Property or any part of it and to place advertisements in news publications at **OWNER'S** expense, collect receipts for rents, security deposits and other charges. Any lease executed by **BROKER** for **OWNER** shall not exceed one year. Rent may be changed to meet market value with **OWNER'S** approval.
2. **TENANCY TERMINATION:** Sign and serve in **OWNER'S** name notices, which are required or appropriate. Prosecute actions to evict Tenants, recover possession of the property in **OWNER'S** name; recover rents and other sums due.
3. **REPAIRS AND MAINTENANCE:** Make or cause to be made and/or supervise repairs, improvements, and decorations to the property. Purchase and pay bills for services and supplies. **BROKER** shall obtain prior approval from **OWNER** for all expenditures over **\$500.** for any one item (if you wish to change this amount, write in new amount here and initial: \$ \_\_\_\_\_ initial: \_\_\_\_\_, crossing through previous dollar figure). Prior approval shall not be required for monthly or recurring operating charges, or if in the **BROKER'S** opinion, emergency expenditures over maximum are needed to protect the Property or other properties from damage, prevent injury to persons, avoid suspension of necessary services, avoid penalties, fines or suspension of services to Tenants called for in a lease or rental agreement or required by the **LANDLORD TENANT LAWS.** **BROKER** shall not be required to advance **BROKER'S** own funds in connection with the Property listed in this Agreement, however if **BROKER** elects to advance any funds, **OWNER** shall promptly repay **BROKER** on request the amount advanced.

4. **CONTRACT SERVICES:** **BROKER** may perform any of **BROKER'S** duties through attorneys, agents, employees and independent contractors, and shall not be responsible for their acts, omissions, defaults, negligence, and/or costs of same, except for person's working in **BROKER'S** firm. **BROKER** may hire, supervise and/or discharge firms and persons required for the operation and maintenance of the Property. **BROKER** may also arrange and request changes in utility services such as gas, electric, telephone and water/sewer at **OWNER'S** expense.
5. **EXPENSE PAYMENTS:** **BROKER** shall pay expenses and costs for the Property from **OWNER'S** funds held by the **BROKER**, including but not limited to Property Management fees, charges for goods & services, maintenance, property and other taxes, Association Dues, loan payments and other expenses related to management of said Property.
6. **TRUST FUNDS:** All funds collected for **OWNER** shall be deposited in a financial institution whose deposits are insured by an agency of the United States Government. The funds shall be held in a trust account separate from the **BROKER'S** personal accounts. **BROKER** shall not be liable in event of bankruptcy or failure of financial institution.
7. **TENANTS DEPOSITS:** Tenant Security Deposits will be held in **BROKER'S** Trust Account.
8. **RESERVES:** **OWNER** will maintain as a reserve in **BROKER'S** Trust Account **\$250.**, which will be deducted from first month's rent.
9. **OWNER'S STATEMENT:** **BROKER** will render monthly statements of income & expenses along with copies of invoices for any expenses. (Excluding sales tax and property management fees).
10. **OWNER'S DISBURSEMENT:** **BROKER** will remit funds monthly to **OWNER**.

**OWNER SHALL:**

1. Provide all documentation and records required by the **BROKER** to manage and operate Property.
2. Indemnify and hold harmless **BROKER** and all person in **BROKER'S** Firm, from all costs, expenses, suits, liabilities, damages and claims of every type, including but not limited to those arising out of injury or death of any person(s) including **OWNER**, in any way relating to the management, rental, or operation of the Property by **BROKER** or any person in **BROKER'S** Firm, or the performance or exercise of any of the duties or powers authorized herein or hereafter granted to **BROKER**, except to the extent due to the negligence of **BROKER** or any person in **BROKER'S** Firm.
3. **CARRY** and **PAY** for **PUBLIC** and **PREMISES LIABILITY INSURANCE** adequate to protect the interest of **OWNER** and **BROKER**, and shall name both as insured parties.

**COMPENSATION:** **OWNER** agrees to pay **BROKER** fees as indicated:

1. Management fee: **BROKER** shall receive a management fee of **10%** of gross rents collected.
2. Normal property management **does not** include providing on site management services, property sales, preparing property for sale, refinancing, modernization, fire or major damage restoration, rehabilitation, obtaining income tax, accounting or legal advice, representation before public agencies, advising on proposed new construction debt collection, counseling or attending Owner's Association meetings.

**OWNER FURTHER AGREES THAT:**

1. **BROKER** may receive fees and charges from the tenants for returned checks and other services that are not in conflict with this Agreement.
2. **BROKER** may perform any of its duties and obtain necessary products and services, through and/or profits from affiliated companies or organizations, **BROKER** has disclosed to **OWNER** that **BROKER'S** spouse may perform routine maintenance unless **OWNER** instructs **BROKER** otherwise. **BROKER** shall not, however receive fees, commissions, or profits from affiliated companies or persons in the performance of this Agreement without prior disclosure and agreement from **OWNER**.
3. **BROKER** may divide compensation, fees, and charges due under this Agreement in any manner acceptable to **BROKER**.





## ALASKA REAL ESTATE COMMISSION CONSUMER PAMPHLET

### About This Pamphlet:

In Alaska, a Real Estate Licensee is **required by law** to provide this pamphlet outlining the duties of a real estate licensee. After you have read the information contained in this pamphlet, please acknowledge receipt by signing **page 2** and return it to the real estate licensee who provided it to you. Your cooperation is appreciated.

There are four different types of relationships established by Alaska Real Estate Law:

- Specific Assistance – Licensee owes “Duties owed by a Licensee in all Relationships” as described in this pamphlet.
- Representation – Licensee owes “Duties Owed by a Licensee when Representing a Party” as described in this pamphlet.
- Designated Licensee – This occurs when a Licensee represents or provides specific assistance to a party to a transaction and another Licensee within the same company represents or provides specific assistance to the other party in the same transaction.
- Neutral Licensee – This occurs when a Licensee does not represent either party but provides specific assistance to both parties in the same transaction. The parties must authorize the Neutral Licensee relationship by signing the “Waiver of Right to be Represented” form.

### Duties owed by a Licensee in all Relationships:

- Exercise reasonable skill and care;
- Deal honestly and fairly;
- Present all written communications in a timely manner;
- Disclose all material information regarding the physical condition of a property;
- Account for all money and property received.

### Duties owed by a Licensee when Representing a Party:

- Duties owed by Licensee in all relationships listed above;
- Not knowingly do anything that is adverse or detrimental to your interests;
- Disclose all conflicts of interests to you in a timely manner;
- If a matter is outside their area of expertise, advise you to seek expert advice;
- Not disclose confidential information, even after the relationship ends, from or about you without written permission, except under a subpoena or court order;
- Make a good faith and continuous effort to accomplish your real estate goals. However, once you have entered into a specific real estate transaction agreement, their efforts refocus on its successful completion.

Your Real Estate Licensee may also work with a variety of other clients (they represent) and customers (they provide specific assistance to) in different working relationships. In those situations, representing or providing specific assistance to other sellers, buyers, lessors, and lessees does not create a conflict of interest while working with you, or within the duties mentioned above.

Occasionally, as a Seller or Lessor, a situation may arise that your Real Estate Licensee also is representing another client (Buyer or Lessee) who then becomes interested in your property – or vice versa.

Prior to showing the property, the Real Estate Licensee must obtain a written approval to be a Neutral Licensee for both parties. A Licensee may not show property as a neutral licensee without obtaining your written consent entitled “Waiver of Right to Be Represented” and it will restate the duties outlined above and additional ones owed by your Real Estate Licensee. Alaska real estate law allows, but does not require, you to Preauthorize a Licensee to be a “Neutral Licensee.” Having a different designated Licensee working for a seller or lessor and for the buyer or lessee in the same real estate transaction does not create dual agency or a conflict of interest for the real estate broker or for a Licensee employed by the same real estate broker.

**THIS DISCLOSURE PAMPHLET IS NOT A CONTRACT**

Duties NOT owed by a Real Estate Licensee

Unless agreed in writing otherwise, the following are the duties your Real Estate Licensee does not owe to you:

- To conduct an independent investigation of a property
- To conduct an independent investigation of anyone's finances
- To independently verify the accuracy or completeness of a statement made by a party to a real estate transaction or by a person reasonably believed by the licensee to be reliable
- To show or search for properties without compensation

**THIS DISCLOSURE PAMPHLET IS NOT A CONTRACT.**

The Licensee anticipates compensation to be paid by \_\_\_\_\_ buyer/lessee, X seller/lessor, or \_\_\_\_\_ both to the real estate brokers in the real estate transaction.

I understand and acknowledge receiving and reading this pamphlet on the type of relationships I may have with the real estate Licensee (including the broker).

I understand and acknowledge that Diane Melton (Licensee) of Five Star Realty (company) will be working with me under the following relationship:

- \_\_\_\_\_ Specific Assistance without Representation
- X Representing the Seller Lessor only (may assist Buyer Lessee)
- \_\_\_\_\_ Representing the Buyer/Lessee only (may assist Seller/Lessor)
- \_\_\_\_\_ Under preauthorized Neutral Licensee (attached "Waiver of Right to Be Represented")

Date: \_\_\_\_\_ Time: \_\_\_\_\_

Date: \_\_\_\_\_ Time: \_\_\_\_\_

Date: 1-17-2011 Time: 3:05 P.M.

Diane Melton  
 Real Estate Licensee  
Five Star Realty  
 Real Estate Company

**THIS DISCLOSURE PAMPHLET IS NOT A CONTRACT**