



## Single Family Management Plan Overview

Management Agreement Associated Items	Bronze	Silver	Gold	Platinum
Monthly Fee	N/A	8%	10%	12%
Leasing Fee	100%	75%	50%	25%
Lease Renewal Fee	N/A	\$400.00	\$250.00	Included
Annual Property Evaluation w/ Pictures Included (1)	N/A	\$130.00 <small>*Included with Owner Benefit Package</small>	\$130.00 <small>*Included with Owner Benefit Package</small>	\$130.00 <small>*Included with Owner Benefit Package</small>
Marketing Video Walk-Through Tours	\$150.00 (optional)	\$150.00 (optional)	Included	Included
Comprehensive Move in Condition Report w/Pictures	\$150.00 (optional)	\$150.00 (optional)	Included	Included
Initial Property Set Up (2)	N/A	\$100.00	\$100.00	\$100.00
End of Year Financial Reports (1099 Reports and Cash Flow Statements)	N/A	\$35.00	\$35.00	Included
Owner Benefit Package	N/A	\$45.00	\$45.00	\$45.00

1. No charge if enrolled in Owner Benefit Package
2. Property Setup Fee waived for all active duty military, first responders (fire, police, ems, nurses), teachers and veterans.

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Address of Home to Be Managed: \_\_\_\_\_



## Property Management Agreement – Platinum SFR Plan

### **FEE BREAKDOWN SHEET**

This form will summarize and present all pertinent fees to this agreement that may be levied in providing management services for the property listed. It is our intent to be fully transparent and clarify all charges up front prior to you moving forward in completing this paperwork. The summarized charges are listed below with references to the paragraph in our management agreement. We want you to fully understand what we charge, why we charge it, and what your money is going to be applied towards for services.

**Monthly Management Fee – 8% of collected rent:** *Reference Paragraph 18*

Pays for the day to day cost of managing your home.

**Leasing fee- 25% of 1<sup>st</sup> month rent:** *Reference Paragraph 18*

Charged for Photos, Video, marketing, Scheduling Showings, servicing showings, Handling Applications, Screening Applicants, Lease Preparation, and includes the \$300 Tenant Realtor Commission.

**Initial and Annual Assessment:** *Reference Paragraph 30*

- INITIAL HOME ASSESSMENT
- INCLUDED ANNUAL LEASE RENEWAL ASSESSMENT

**Annual Tax Prep Fee- \$0:** *Reference Paragraph 20*

Covers cost of preparing your annual IRS required 1099 Form and annual statements

**Initial Setup Fee- \$100:** *Reference Paragraph 19*

Pays for the cost of uploading your information in our system to include the management agreement, property information, warranty information, pictures ,video, notes, financials, and inspections.

**Renewal Commission-** *Reference Paragraph 18*

- \$0

**Owner Benefit Package - \$45 Per Month:** *Reference Paragraph 26*

See attached flyer for details

**Owners Insurance and Surcharge- \$20 Per Month:** *Reference Paragraph 17*

All owners are allowed and encouraged to **opt out** of this surcharge by following the stipulations in paragraph 17.

**Early Termination Fees:** *Reference Paragraph 23*

Prior to Lease Execution- \$500

After Lease Execution, After 6 Months- No Charge

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**Sales Commission- Fees in the Event of a Sale: Reference Paragraph 21**

If an owner decides to sell the home during our management service, they have the option to sell with our brokerage for a commission of 5.5% with 3% of that amount being offered to the buyers agent. ForeFront Property Management will charge 4% if selling to the tenant.

**OWNER RESERVE FUNDS**

Typically, the only funds ForeFront Property Management will collect up front, before collecting the first months rent, will be the \$300 Reserve. The reserves are funds ForeFront Property Management will hold on file, to use for small maintenance issues as they arise.

**\*ForeFront Property Management will not begin ANY work on a property before the \$300 Reserve has been collected.**

**TEXAS PROPERTY CODE**

ForeFront Property Management will ensure any home being managed is brought up to and in compliance with Texas Property Code. Below is a list of the items that will be addressed (if they are not already at the time of inspection). ***\*If, during an inspection, it is determined that any aspect of the home is not up to Texas Property Code, ForeFront Property Management will authorize vendors to perform whatever work necessary to bring the home up to code, at owners' expense.***

**For a full explanation of the Texas Property Code, and its requirements, please visit: <http://texaspropertycode.org/>**

*Outline of Texas Property Code Requirements:*

- A working smoke detector, that is less than 8 years of age, in every bedroom, and every hallway leading to a bedroom. Also, a smoke detector on every floor.
- Keyless Deadbolts installed on ALL exterior doors (Including the door to the garage)
- Charlie Bars or Pin Locks installed on sliding doors. (If the sliding door does not already have working lock, both a Charlie Bar and Pin Lock will be required)
- Door Viewer (Peep hole) on every exterior door (Including the door to the garage and back door)
- Changing Locks (Required when a home is being turned over to ForeFront Property Management, and in between each new tenant)

**\*It is required that the Lock Change be done by a vendor authorized by ForeFront Property Management. ForeFront Property Management utilizes a specific key system to ensure the home owners property and tenants are protected.**

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1) **Owner**

Owner Name: \_\_\_\_\_

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

City, State, Zip: \_\_\_\_\_

Best Phone: \_\_\_\_\_ Alt Phone: \_\_\_\_\_

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

Property being managed

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

City, State, Zip: \_\_\_\_\_

Asking Rental Price for the Home: \$ \_\_\_\_\_ per month.

Lowest Acceptable Rental Price: \$ \_\_\_\_\_ per month.

Non-Real Property: \_\_\_\_\_

\*Non-Real Property to include Refrigerators, Washer, Dryer, Etc....Home is Currently:

Occupied  Vacant

**Contact Information: It is the responsibility of the OWNER to exercise due diligence. The Brokers relies on the information provided by the Owner and presumes its validity. It is the responsibility of the OWNER to ensure all forms of their contact information is and remains current, to include e-mail(s), phone number(s) and address (es). We use this information to provide and send all correspondence between the Owner, Broker, Manager and/or Tenant.**

2) **Term**

- A. **Commencement Date:** Upon Completion of this Agreement by all parties.
- B. **Initial Term:** 6 Months from Date of Commencement of this Agreement.
- C. **Automatic Renewal:** This agreement will automatically renew for a month to month period.
- D. **Anniversary Date** – This agreement coincides with any current or future tenancy to include leases that ForeFront Property Management inherited on behalf of the owner, or when ForeFront Property Management executes a new lease agreement to include all lease renewals under management.
- E. **Cancellation Notice:** Either party may cancel this agreement with a 30-day written notice.
- F. **Written Notice:** Notices can be provided in any of these three methods and be deemed sufficient for writing 1) Email, 2) Owner's Portal or 3) Mail
- G. **Tenancy:** This agreement coincides with any current or future tenancy to include leases that are inherited on behalf of the Owner, or when a new lease agreement is executed by Manager.
- G. **Change of Terms:** Any effective changes to this agreement after the initial term must be in writing and be presented to the other party at a minimum of 60 days in advance.

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Address of Home to Be Managed: \_\_\_\_\_

- H. **Owner Handbook:** Manager has created an Addendum to this agreement called the Owner Handbook that details Manager's pricing, policies, and procedures for Owner review and acknowledgement that this agreement coincides with upon commencement. Any effective changes to the Owner Handbook will be presented in writing.
- I. **Termination:** If Owner violates any terms of service contained in this agreement or Manager determines that effective management services can no longer be provided, Manager may terminate this agreement by providing at least 10 days written/email notice.

**3) Leasing Authority of Manager**

Owner grants to Manager the following authority which Manager may exercise on behalf of Owner's best interest:

- A. Advertise the Property for lease using methods Manager determines to be most effective.
- B. Place a "For Rent" sign on property in accordance with local rules and regulations.
- C. Place a lockbox on the home to allow Realtors and pre-screened applicants with access for showings as deemed appropriate by Manager.
- D. Authorize other Managers, their associates, inspectors, appraisers, and contractors to access the property at reasonable times and to disclose security and lock box codes as required or needed to facilitate access to the home under Manager discretion.
- E. Duplicate keys and security devices as needed, at Owner's expense, to access the property for showings and repairs in a timely manner.
- F. Verify information and references in rental applications from prospective tenant.
- G. Negotiate and execute leases on Owner's behalf at market rates of not less than 6 months, and no more than 24 months.
- H. Negotiate and execute any amendments, extensions, or renewals to any lease for the property on the Owner's behalf and Terminate leases for the property, negotiate lease terminations, and serve notices of termination.

**4) Financial Authority of Manager**

- A. Collect and deposit Owner rents, security deposits, and other funds related to the property in a trust account and pay any compensation and reimbursements due Manager under this agreement and any other persons this agreement may authorize to compensate.
- B. Collect all administrative charges without accounting to Owner any additional tenant fees, administration fees, processing fees, animal fees, application fees or any other tenant related charges associated with management.
- C. Enforce actions to, at Owner's expense, evict tenants in the property, recover possession of the property, recover lost rent with damages, and defend against legal action with attorney's fees.
- D. Negotiate and make reasonable concessions to tenants on a case by case basis.
- E. Obtain information from any holder of a note secured by a lien on the property and any insurance company insuring all or part of the property.
- F. Manager is allowed to bring current any delinquent or outstanding Association Dues and fees to avoid fines or other legal action on behalf of Owner.

**5) Manager Maintenance Authority**

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- A. **Routine Repairs:** Hire contractors to repair, maintain, improve, or alter the property provided Manager does not expend more than **\$300.00** for any single repair, maintenance item, or alteration without Owner's prior approval.
- B. **HVAC – Plumbing – Electrical:** During repairs for HVAC, Plumbing, or Electrical work regarding the safety and health of safety of a Tenant, Manager may expend no more than **\$500.00** for any single repair, maintenance item, or alteration without Owner's prior approval.
- C. Manager may hire contractors to make emergency repairs to the property without regard to the expense limitations that Manager determines are necessary to protect the property or the health or safety of an ordinary tenant.
- D. Manager may contract, at Owner's expense, in either Manager's or Owner's name, for utilities and maintenance to the property during times that the property is vacant, including but not limited to electricity, gas, water, alarm monitoring, cleaning, pool and spa maintenance, yard maintenance, and other regularly recurring expenses that Manager determines are reasonable to maintain and care for the property.

**6) Manager Authority- Agreements**

- A. This agreement is subject to policy and procedures changes updated periodically into the Owner Handbook.
- B. Manager reserves the right to amend or supplement the terms and conditions contained in this Agreement or the Owner Handbook by providing written notice to Owner via email.
- C. This agreement may be assigned without written permission from Owner.

**7) Record Keeping**

- A. Manager will file reports with the Internal Revenue Service related to funds received on behalf of the Owner under this agreement. Owner authorizes delivery of 1099 via electronic methods.
- B. Manager will remit each month to the Owner funds collected by Manager for Owner under this agreement, less authorized deduction, and a statement of receipts, disbursements, and charges will be available for Owner and Tenant to review via their portal. Owner may instruct Manager to remit the items to another person or address.
- C. Overdrawn Owner accounts reaching past 30 days will incur a surcharge for payment by Owner. The charge will equal 10% of the total overdrawn amount with a minimum charge of \$39 per month.

**8) Security Deposits**

- A. During this agreement, Manager will maintain security deposits received from tenants in a trust account and will account to tenants for the security deposits in accordance with the lease agreement and state law.
- B. After this agreement ends, Manager will deliver to Owner the status of the security deposit, less any deductions owed to Manager. In addition, Manager will send written notice to the tenant the agreement has ended, the exact dollar amount of deposits, any Owner contact information, and a notice that Owner is solely responsible for accounting and returning the tenant's security deposit from date of cancellation.
- C. If Manager complies with this paragraph, Owner will waive any liability against Manager from any claim or loss from a tenant for the return of a security deposit. Owner will be responsible for any legal fees incurred by Manager in lawsuits over a security deposit return. This paragraph survives termination of this agreement.

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**9) Free Security Deposit Guarantee**

ForeFront Property Management offers a “Preferred Tenant Program” to assist in marketing your home For Rent. This program allows a very well qualified applicant to Opt-Out of paying the common and customary security deposit of Two Month’s Rent by paying a monthly fee to A ForeFront Property Management Vendor Affiliate. Should an applicant sign up for this program, ForeFront Property Management will repair or reimburse for any damages caused to the home above fair wear and tear up to the amount of a standard security deposit equal to one month’s Rent. This will be achieved by using the insurance money from the Security Deposit Insurance Policy purchased by the tenant. This excludes pet damage covered in our pet coverage(below) and / or damage caused by an authorized Service Animal per the Fair Housing Guidelines.

**10) Free Leasing Guarantee**

ForeFront Property Management will guarantee that tenancy for 12 months (Military Clause Excluded). Should a tenant that ForeFront Property Management screened and placed under an executed lease agreement fail to complete an initial term for their lease agreement, NO Leasing Fee or Tenant Realtor Commission will be charged to replace that tenant. This excludes any shorter lease agreements that landlord agrees to with an executed lease agreement.

**11) Free Animal Protection Guarantee**

ForeFront Property Management charges a monthly Animal Administrative Fee to the tenant per each approved animal. We offer a guarantee that any damages caused to the home, above fair wear and tear, resulting from the approved animal(s)that is not covered by the security deposit will be reimbursed by Forefront Property Management to make necessary repairs on behalf of the owner. This excludes any Service Animals per the Fair Housing Guidelines. Any collection efforts under this provision become the sole responsibility and ownership of ForeFront Property Management.

**12) Reserves**

Upon execution of this agreement, or at time of execution of a new lease, Owner will allow Manager to hold in a trust account a reserve. These reserve funds will be used to pay any expense related to the leasing and management of the property. If the balance of the reserve becomes less than the amount stated, Manager may deduct the applicable amount from the monthly income to bring the balance to the amount requested. **The standard reserve is \$300.00 per home.**

**13) E-Payment Policies**

**Owner draws will be batch processed and sent out via ACH on or about the 7th to the 10th of each month.** All Owner payments are made ACH and will be sent directly to the Owner’s checking or savings account from the bank ACH information provided below.

**Owner draws should be received by Owners between the 10th to the 12th of each month.**

**14) Owner Representations**

Owner represents and attests to all the following:

- A. Owner has fee simple title to and the legal capacity to lease the property.

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- B. Owner is not bound by another agreement with another Broker or Manager for the leasing, management, or sale of this property that will affect the timing of this agreement. Should Owner enter into an agreement with another Manager, this agreement can be terminated without notice subject to all cancellation fees.
- C. No person or entity has any current rights to purchase, lease, or acquire the property by an option, right of first refusal, or any other agreement.
- D. Owner is not delinquent in the payment of any property taxes, Association fees, property hazard insurance, or mortgage payments.
- E. Owner is in compliance with all local rental requirements to include licensing, fees, association permissions, or local taxes.

**15) Property Condition**

- A. Owner and Manager are obligated under law to disclose to a tenant or to a prospective tenant any known condition that materially and adversely affects the health or safety of an ordinary tenant. Owner may be obligated under the Property Code to repair such condition for a tenant. Owner represents that:
  - (1) any pool or spa has the required enclosures, fences, gates and latches in place to comply with all laws and ordinances; and
  - (2) Owner is not aware of any condition existing on the property that would materially affect the health or safety of an ordinary tenant.
- B. **Utilities:** Upon execution of a vacant property, utilities will be transferred to ForeFront Property Management. Invoices will be paid by owner during any vacancies. Upon lease execution, utilities will transfer to the tenant.
- C. **Lead-Based Paint:** Was the property to be managed under this agreement built prior to 1978?

YES       NO

If YES— Manager and Owner may complete and attach to this agreement an addendum regarding lead-based paint and lead-based paint hazard information that will be made part of any lease of the property and as required by federal law.

**16) Owner agrees to:**

- A. Cooperate with Manager to facilitate showing, marketing, and lease of the property.
- B. Not rent or lease the property to anyone without Manager's written approval.
- C. Not negotiate with any prospective tenant who might contact Owner directly but refer all prospective tenants to Manager.
- D. Not deal with or negotiate with any tenant in the property concerning any matter related to the management or leasing of the property
- E. Not enter into a listing agreement For Sale or a property management agreement with another Manager for the rental, leasing, or management of the property to become effective during this agreement.
- F. Provide Manager with any existing copies of lease agreements related to the property, keys, remotes, or any warranties.
- G. Tender to Manager any security deposits paid by existing tenants.

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- H. Notify Manager if Owner becomes delinquent in the payment of any mortgage secured by the property, property taxes, property insurance, or association fees.

**17) Owner's Insurance and Surcharge**

- A. At all times during this agreement while this home is under management, Owner must maintain in effect a public liability insurance policy (home Owner's insurance) that covers losses to the property. This will include an amount equal to the reasonable replacement cost of the property's improvements and containing endorsements showing the insuring party is aware that the home will be leased to prospective tenants. **It is required that the Owner name ForeFront Property Management as "Additionally Insured" on their Owner's Insurance Policy.**
- B. This agreement will also serve as Owner's authorization to obtain and discuss any claim regarding this home with the Owner's insurance company.
- C. All Owners incur a \$20.00 (twenty) per month Administration Surcharge to cover the cost of administrative fees associated with home Owner's insurance policy compliance and tracking.
- D. **Owners may OPT OUT** of this \$20.00 (twenty) per month Surcharge by providing Manager a letter or notice delivered via mail, email, or fax that indicates ForeFront Property Management – as named "**Additionally Insured**" on their Home Owner's Insurance Policy no later than 15 days from the completion date of this agreement.

**18) Management Fees**

**Management Fees:** ForeFront Property Management will charge a Management Fee of 12% of collected rent when the home is occupied (Monthly minimum is \$100.00 in the event the 12% is less than \$100.00). During a vacancy or when rent is not paid, there will be a monthly minimum charge of \$100.00 for each month the home is managed. Management fees will be charged once the home has been turned over to Manager.

**Monthly Management Fee = 12% of collected rent (occupied), \$100.00/month when vacant.**

**Leasing Fee = 25% of 1<sup>st</sup> month rent charged upon newly executed lease agreement.**

**Renewals or Extensions:** Each time a tenant renews or extends their lease agreement, ForeFront Property Management will charge a **Renewal Commission of \$0**. This commission will be charged for any executed lease extensions of at least 6 months, with a maximum of 24 months. Longer than 12-month lease extensions will be charged accordingly with a pro-rated renewal commission. This charge will be paid the following month after the extended lease agreement has been executed.

**Interest on Trust Accounts:** ForeFront Property Management retains any and all income resulting from an interest-bearing account.

**Administrative Fees:** ForeFront Property Management will retain any and all administrative fees to include late fees, non-sufficient fund fees, returned checks, animal admin fees, or any other assessed tenant fees.

**Landlord Exit Fee:** Upon completion or termination of this agreement, owners will incur a **\$100** charge for turning overall documentation, accounting for all funds, archiving all files, and forwarding any information required to the owners and/or the tenants. All files and accounting is required to be archived for seven years.

**19) Setup Fee**

Upon completion of this agreement, a **\$100 Set Up Fee** will be charged to the Owner. This fee accounts for the set-up of all bank accounts, software, introduction packets, organizing with any existing tenants, outgoing tenants, co-operating Realtors, and/or Owner's points of contact to gain access to the home to integrate the home into

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Manager's care.

#### **20) Annual Tax Preparation Fee**

There is an **Annual \$0 Tax Preparation Fee** to Manager to cover the costs of administration fees associated with all technology features to include electronic delivery of the required IRS Form 1099 each year. This fee is collected annually on 1 January.

#### **21) Fees in the event of a Sale**

Fee if a Tenant Purchases Property: If at any time the owner sells the property to a tenant procured through or managed by ForeFront Property Management, Owner will pay a commission equal to 3% of the total sales price of the home.

If owner decides to sell the home on the open market Forefront will charge 2.5% Commission instead of its Standard 3% Commission.

#### **22) Tenant Realtor Commissions**

ForeFront Property Management offers all licensed Realtors a **\$300 Leasing Commission** to show and assist in bringing a qualified applicant to lease your home. The tenant's Realtor® is required to show the home in person to be eligible for this commission paid upon tenant move in.

*This commission is included with the Leasing Fee.*

#### **23) Early Termination of Agreement**

- A. **Prior to Lease Execution** - Owners may request an early termination to this agreement prior to a tenant renting their home, or while their home is being marketed. There is a one-time early termination charge of \$500. This covers the time and expenses for our marketing efforts. Owner will reimburse Manager for any refunded applications, or unpaid fees caused from this early termination.
- B. **After Lease Execution** – Owner may cancel management services with a written 30-day notice to Manager, without penalty, after the initial 6 (six) month term of this agreement. Owner agrees to pay balance of management fees owed in accordance with Paragraph 2.

#### **24) Lease Nullification**

Manager reserves right to nullify any ForeFront Property Management drafted and executed custom lease agreements upon termination of this agreement by either party. The ForeFront Property Management custom lease is for the sole use of ForeFront Property Management clients. If either party chooses to cancel with a 30-day written notice, a Change in Management & Lease Nullification Notice will be sent to all parties to any current lease agreements.

#### **25) Repairs and Maintenance**

- A. Manager will charge owner **\$20** per invoice to handle routine repairs of a home under management.

**REPAIR CHARGES = \$20 with a \$60 Cap**

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- B. Repair Charge Cap: ForeFront Property Management will limit the \$20 per invoice amount to \$60 per month.
- C. Vendor Payments: All vendor payments for work conducted on a home under management must be processed through ForeFront Property Management.
- D. Owners should consider this notice that on occasion without accounting to Owner, Manager may receive incentives, reimbursements, referral fees, or cash payments from business associates including cable companies, internet service providers, contractors, and vendors to refer or participate in joint business arrangements relating to repairs, inspections, improvements, maintenance, referrals, or group marketing efforts.

**26) Owner Benefit Package**

- A. ForeFront Property Management will charge owner \$45 per month for each month the home is managed.
- B. **Owner Benefit Package (Flyer is attached) = \$45 Per Month.** This includes the following:
  - 1. No maintenance oversight fees for routine repairs.
  - 2. One annual home assessment included at no charge.
  - 3. Bi-annual HVAC inspection included for each AC unit in home at no charge. (Maximum 3 AC Condenser Units)
  - 4. 2 months of Rental Income Protection against lost rents due to tenant non-payment.
  - 5. Free Pest Control Service

<b>Owner Benefit Package</b>	<b>\$45 Per Month</b>
Feature:	Value
2 months of Rent Protection	\$2000 - \$10,000 in Potential Lost Rent Coverage
Maintenance Oversight Fees Included	\$100-\$200 Annually
Free Annual Home Assessment	\$85 Annually
Free Bi-Annual HVAC Inspection	\$160-\$400 Annually
Free Pest Control Service	\$100-\$150 Per Occurrence

**27) Foreclosure Notices/**

- A. If Manager receives notice of the Owner's delinquency in the payment of any mortgage or encumbrance secured by the property, property taxes, property insurance or Home Owner's Association fees, Manager may give 15 days to cure the delinquency during which period Owner authorizes Manager to freeze any funds held by Manager and no disbursements will be made to Owner related to this agreement or the Property. If after the

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15-day period, the delinquency is not cured and the foreclosure process is initiated. Owner authorizes Manager to deduct from any other funds being held by Manager for Owner any remaining Manager fees or funds due to Manager related to services performed under this agreement.

- B. Owner authorizes Manager to return any security deposit being held by Manager to a tenant of the Property in addition to any prorated amount of rent being held by Manager and Manager may terminate this agreement without notice. This paragraph does not preclude Manager from seeking any other remedies under this agreement or at law that may be available to Manager.

### **28) Owner Home Warranty**

Does Owner Have a Home Warranty?  YES  NO- Manager DOES NOT recommend using a 3<sup>rd</sup> party provider for Home Warranty Services. Under this agreement, service calls that require the involvement of a 3<sup>rd</sup> party home warranty vendor will incur additional charges of \$25 per work order.

**Home Warranty Failure To Repair:** In the event a Home Warranty company fails to complete a timely repair, ForeFront Property Management retains full authority under paragraph 5 to complete any and all necessary repairs at Manager discretion.

### **29) Periodic Home Assessments**

It is the policy of ForeFront Property Management to conduct an Annual Home Condition Assessment every year, and prior to a lease renewal being fully executed. Owners may elect to have additional Home Condition Assessments at the cost of \$85.00 per scheduled assessment. A copy of this assessment will be sent to the owner.

### **30) Initial Home Assessment**

At the beginning of this agreement, and once the home is surrendered to the Manager, an Initial Home assessment will be conducted at a cost to the Owner of \$0.

### **31) Home Inspections**

**OPTIONAL:** As a cost-effective method for ensuring the home is reviewed on an annual or bi-annual basis, a Home Condition Assessment is conducted with only a visual inspection. During this Home Condition Assessment as described above, no mechanical, plumbing, electrical, HVAC, or other is manually inspected in the home that requires a Texas Real Estate Commission Inspector's license.

We recommend to all owners requiring a more inclusive inspection to allow us to arrange for a Texas Real Estate Commission licensed inspector to conduct a Mechanical Inspection of the home with a written report once per year.

The cost for this inspection is dependent on the size of the home, and the additional items requiring inspection by the owner (example: septic system, or in-ground pool).

These costs may range from \$400 to \$1,000 per inspection.

Owner requests ForeFront Property Management to coordinate for a Mechanical Inspection of the home on an annual basis costing between \$400 to \$1,000 per inspection.

Owner declines option for a Mechanical Inspection of the home conducted annually.

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**32) Necessary Maintenance**

During an initial or annual Home Condition Inspection, it may become necessary to perform required maintenance to a home. It is the policy of the Manager to ensure full compliance with state law.

**33) Pool Maintenance**

Does the Home Have a Pool?     YES     NO

Owner agrees to provide an ongoing Pool Maintenance Service Contract with Manager. All billing and service arrangements may be made through Manager.

**34) Information regarding use of Self-Showing Technology**

In addition to authority granted to ForeFront Property Management by Owner in this agreement and provided that the property listed on this agreement is vacant and no personal items are present at the time of listing, except personal property that will remain with the property or convey to the tenant upon execution of a lease, ForeFront Property Management is authorized to utilize a pre-screening software to control access and verify identification of a prospective tenant who wants to view the property.

Owner is hereby made aware that unescorted access by a prospective tenant to view the property may occur and Owner grants consent for this.

With the exception of negligence on the part of ForeFront Property Management, Owner agrees that Owner is responsible for any damage, injury, or loss that results from unescorted access showings. Owner agrees to protect, defend, indemnify, and hold ForeFront Property Management and its agents harmless from any such damage, injury, or loss, including costs, attorney's fees, or expenses.

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**35) Liability and Indemnification**

- A. Manager is not responsible or liable in any manner for personal injury to any person or for loss or damage to any person's real or personal property resulting from any act or omission not caused by Manager's negligence.
- B. This includes but not limited to injuries or damages caused by: Other Managers, their associates, inspectors, appraisers, and contractors who are authorized to access the property on behalf of the Owner; Acts of third parties (vandalism, theft, or other criminal acts); Freezing or leaking water pipes; A dangerous condition or environmental condition of the property; Hurricanes or Flooding; Or the property's non-compliance with any law or ordinance.
- C. Manager is not responsible or liable in any manner for any late fees or other charges Owner incurs to any creditor caused by late or insufficient payments by any tenant in the property damages to Owner caused by a tenant's breach of lease.
- D. Owner agrees to protect, defend, indemnify, and hold Manager harmless for any damage, costs, attorney's fees, and expenses that: (1) Are caused by Owner, negligently or otherwise; (2) Arise from Owner's failure to disclose material or relevant information about the property; (3) Are caused by Owner giving incorrect information to any person; (4) related to the management of the property and are not caused by Manager, negligently or otherwise.
- E. Owner is responsible for and liable for all contracts and obligations related to the property for maintenance, service, repairs, and utility arrangements made before or during this agreement. Owner agrees to hold Manager harmless from all claims related to such contracts.
- F. **Property Codes & State Laws:** State law may require certain types of locks or security devices on all exterior doors of residential rental properties and requires smoke detectors in certain locations including all bedrooms. These guidelines may require the security devices to be rekeyed, peep holes on exterior doors, an interior only locking mechanism, and the smoke detectors to be tested each time a new tenant occupies the property.
- G. **INDEMNITY PROVISION: IF ANY THIRD PARTY ASSERTS ANY CLAIM AGAINST MANAGER FOR ANY CAUSE OF ACTION RELATED TO THE LEASE AGREEMENT OR THIS AGREEMENT, OWNER WILL INDEMNIFY MANAGER FROM ANY CLAIMS, INCLUDING ATTORNEY FEES INCURRED IN DEFENSE OF ANY CLAIM.**

**36) Federal Fair Housing Notice**

In accordance with the Federal Fair Housing laws, the National Association of Residential Property Managers (NARPM), and the National Association of Realtors Code of Ethics, Manager's services must be provided and the property must be shown and made available to all persons without regard to race, color, religion, national origin, sex, disability, familial status, sexual orientation, or gender identity.

**37) ACH Information for Direct Deposit**

ForeFront Property Management uses Property Management accounting software to send monthly Owner Draws directly to the Owner's account via ACH. We request your banking information below and your signed authorization to conduct ACH transactions with your banking institution. We are only able to send funds to owners via ACH.

Name on Owner Account: \_\_\_\_\_

Checking Account OR  Savings Account

Account Number: \_\_\_\_\_

Routing Number: \_\_\_\_\_

Address of Home to Be Managed: \_\_\_\_\_

38) Signatures

**ForeFront Property  
Management (#9007554)**

\_\_\_\_\_  
Representative Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Owner Printed Name

\_\_\_\_\_  
Owner Signature

\_\_\_\_\_  
Date

Client Initial \_\_\_\_\_ FFPM Initial \_\_\_\_\_



# The Owner Benefit Package

## Enrollment in Rent Advance

Receive up to 12 months of rent payments upfront on qualifying leases. Rent Advance gives you **CASH-IN-HAND** while completely removing the risk of resident non-payment.

## Market and Asset Level Rental Reporting

- Average monthly rent amounts in your market
- Current & future market value of your asset
- Analysis of future rent amounts in your market

## Updates on Legislation Impacting Your Rental Portfolio

Receive real-time updates on legislative & regulatory changes to housing regulations.

*(State & Federal Jurisdictions)*

## Protected Rental Income

Receive up to **2 months** of rental payments. Help protect your rental income from renters that default on their rent payments.

## Bi-Annual HVAC Tune Up

Spring and Fall HVAC tune ups included to ensure equipment is running properly.

*Service Performed by a Licensed HVAC Contractor!*

## Pest Control Treatment Services

Should a need for Pest Control arise at your property ForeFront will cover the costs of the treatment!

## Bi-Annual Property Assessment *(Normally \$130)*

Receive a bi-annual property assessment with reports included!





# *Owner Benefit Package*

## *Cost Analysis*

*Owner Benefit Package*  
*\$45.00 Per Month*

*Actual Cost*  
*Breakdown*

*2 Months of*  
*Rent Protection*

*\$2,000 - \$10,000*  
*In Potential Lost Rent Coverage*

*All Maintenance Oversight*  
*Fees Included*

*\$100 - \$200*  
*Annually*

*Free Annual Home*  
*Assessment*

*\$130 Per Assessment*

*Free Bi-Annual HVAC*  
*Inspection*

*\$160 - \$400*  
*Annually*

*Free Pest Control*

*\$100 - \$150*  
*Per Occurrence*

*Total Annual Cost:*  
*\$540.00*

*Total Actual Costs:*  
*\$2,455.00 - \$10,835.00*



## Owner Benefit Package Opt-Out Form

I elect to **opt-out of the Owner Benefit Package** offered by ForeFront Property Management. By electing to opt-out of this package I understand that I will not have access to the following product offerings included in the Owner Benefit Package.

- Enrollment in Rent Advance
- 2 Months of Protected Rental Income
- Rental Analysis Reporting
- Real-Time Legislative Updates
- Bi-Annual HVAC Tune Up
- On-Demand Pest Control
- Bi-Annual Property Assessment

**Owner Name:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Property Address:** \_\_\_\_\_

*Multiple Addresses – Enter “Multiple” & Attach List in Email*

**Disclaimer:** By not electing to opt-out of the Owner Benefit Package your rental units will be automatically enrolled in the services offered above. An additional **\$45.00** will be added to your monthly management fee. Your decision to not submit this opt-out hereby authorizes Property Manager and its service providers or their affiliates, if applicable, to act as a limited attorney-in-fact for the sole purpose to purchase or determine qualification for rent default insurance on your behalf for your rental units and to receive any documentation from the insurer for this coverage. Additionally, Property Manager, its service providers or their affiliates, if applicable, will be authorized to provide such insurer or its agent any information about you, the leases, and your tenants, as required by the insurer to establish eligibility for insurance coverage. You may elect to opt-out of the Owner Benefit Package within the first sixty (60) days of enrollment. If this form is not signed and

# Rent »»» Advance



## What is Rent Advance?

Rent Advance provides owners of rental properties with up to 12 months of rent payments upfront, removing tenant payment risk.

## How does it work?

1. Once a new lease is signed the owner of the unit will receive an email offer that includes an exact dollar amount & a link to access the offer details. Units with 6+ months remaining on the lease may also qualify and receive an advance offer.
2. Once the property owner clicks the link, they will see additional details about the Rent Advance offer, the payment schedule breakdown, FAQs, and the ability to ask any additional questions via the chat feature.
3. Finally, the Rent Advance offer can be executed by the owner, and once the banking information is verified payment will be sent to the property owner's bank account.

## What am I responsible for?

- ▶ Must continue utilizing ForeFront as the property manager for the duration of the agreement
- ▶ May not sell, mortgage, or otherwise take any action to the detriment of Rent Advance or its interest for the duration of the agreement
- ▶ You are required to make any necessary repairs that impact unit habitability during the transaction term



## What are the benefits?

- ▶ Receive up to 12 months of rent upfront in a single payment, net of any property management or transaction fees
- ▶ Cash-in-Hand with no risk of repayment
- ▶ Utilize liquidity to renovate an existing rental or grow your portfolio by purchasing an additional property

# Rent »»» Advance

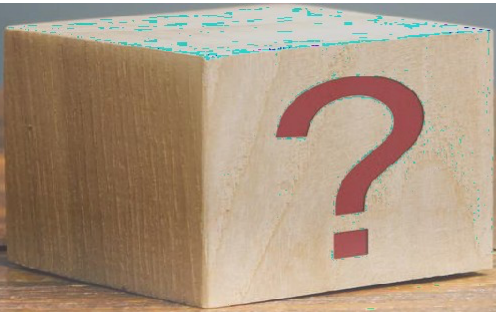


## Example Rent Advance Payment Schedule

Period	Estimated Date	Expected Tenant Payment	Monthly Property Management Fee	Potential Net Rent Payment to Owner <u>Without Advance</u>	<u>Rent Advance</u> Payment to Owner
1	1/1/2021	\$1,800.00	\$149.00	\$1,651.00	\$17,227.04
2	2/1/2021	\$1,800.00	\$149.00	\$1,651.00	-
3	3/1/2021	\$1,800.00	\$149.00	\$1,651.00	-
4	4/1/2021	\$1,800.00	\$149.00	\$1,651.00	-
5	5/1/2021	\$1,800.00	\$149.00	\$1,651.00	-
6	6/1/2021	\$1,800.00	\$149.00	\$1,651.00	-
7	7/1/2021	\$1,800.00	\$149.00	\$1,651.00	-
8	8/1/2021	\$1,800.00	\$149.00	\$1,651.00	-
9	9/1/2021	\$1,800.00	\$149.00	\$1,651.00	-
10	10/1/2021	\$1,800.00	\$149.00	\$1,651.00	-
11	11/1/2021	\$1,800.00	\$149.00	\$1,651.00	-
12	12/1/2021	\$1,800.00	\$149.00	\$1,651.00	\$1,000.00
<b>Totals</b>		<b>\$21,600.00</b>	<b>\$1,788.00</b>	<b>\$19,812.00</b>	<b>\$18,227.04</b>

**\*\*Assumes Monthly Rent Amount is \$1,800 & Management Fee of \$149 Per Month\*\***





# Owner Benefit Package Frequently Asked Questions

## What is the Owner Benefit Package & what does it include?

The Owner Benefit Package is a bundled service that offers our owners new and innovative product features that include:

- ▶ Enrollment in Rent Advance
- ▶ 2 Months of Rental Income Protection
- ▶ Quarterly Rental Analysis Reports
- ▶ Real-Time Legislative Alerts & Updates

## What benefits does the Owner Benefit Package offer?

The Owner Benefit Package gives our owners true peace of mind. Accepting the Rent Advance offer provides owners up to 12 months of risk-free rental income. If you decide not to proceed with the advance, you can rest easy knowing your rental income is protected with 2 months of rental income protection.

## Can I opt-out of the program after initially being enrolled, or vice versa?

Yes, you will be able to opt-out of the Owner Benefit Package within the first 60 days of your property being enrolled. After 60 days your rental property will remain in the program until the current lease expires.

If you originally opted-out of the program, you may contact your property manager and opt back in at anytime.

## What is Rent Advance & how does it work?

Rent Advance gives our owners the ability to monetize up to 12 months of rent payments in one lump sum with no risk of repayment.

Our owners will receive an email offer with an exact dollar amount & a link to view the offer details. Follow the link to view additional features, plus the ability to accept the offer. Once the offer is accepted the owner will receive a confirmation email containing a request to verify the bank account for delivery of the funds.

## Am I required to accept the Rent Advance offer?

No, the Rent Advance offer is an optional feature, and the property owner is not required to accept it.

## How do I know if my property qualifies for a Rent Advance?

A rental property qualifies for a Rent Advance offer if:

- ▶ There is at least 6 months remaining on a new or existing lease
- ▶ No NSF's or late payments on an existing lease
- ▶ The monthly rent is not currently subsidized by rental assistance programs
- ▶ The monthly rent amount is between \$800 & \$5,000

## Does the Rent Advance offer expire? If so, how long does the property owner have to accept it?

Yes, the Rent Advance offer will expire 7 days after it is generated and emailed to owners. If your offer has expired, please contact us to review your options.

## How does the Rental Income Protection work, and does it apply for property owners who accept the Rent Advance offer?

Enrolling in the Owner Benefit Package provides owners with up to 2 months of Rental Income Protection from losses stemming from a tenant's default on rent payment. For owners who accept the Rent Advance this feature would no longer apply since the owner has received all scheduled rent payments upfront.

## What information is included in the Legislative Alerts?

Our legislative updates provide owners with details on all new, pending, and passed legislative & changes that impact their rental investment. Whether the bill is at a Federal, State, or local level, we have you covered!

**FOREFRONT**

PROPERTY MANAGEMENT



Have More Questions? Email us at [info@forefrontpm.com](mailto:info@forefrontpm.com) for more information





**RENTAL PROPERTY  
ANALYSIS REPORT**

**123 Main St.  
Los Angeles, CA 12345**

Number of Bedrooms:  
**4**

Total Bath Count:  
**2.5**

Total Room Count:  
**5**

Total Sq Ft:  
**2,300**

Style:  
**Colonial**

Year Built:  
**2007**

Acres:  
**.7569**

Assessment Year:  
**2015**

Tax Year:  
**2018**

Total Assessed Value:  
**\$650,000**

Tax Amount:  
**\$15,129.14**

Current Rent:  
**\$2,899**

Current Deposit:  
**\$2,899**

Current Lease:  
**Expires 01/01/2023**

**Steady Rent Advance Offer: \$27,710**

Rent Estimate:  
**\$2,900**

Value Estimate:  
**\$690,000**  
[Sell My Home](#)

**Property/Rental Value Forecast**



1YR FORECAST GROWTH	2YR FORECAST GROWTH	3YR FORECAST GROWTH
10.8%	20.4%	25.5%
\$1,074,205	\$1,166,439	\$1,216,326

**4 Bedroom Trends in County**



## Value Forecast



1YR FORECAST GROWTH	2YR FORECAST GROWTH	3YR FORECAST GROWTH
10.8%	20.4%	25.5%
\$1,074,205	\$1,166,439	\$1,216,326

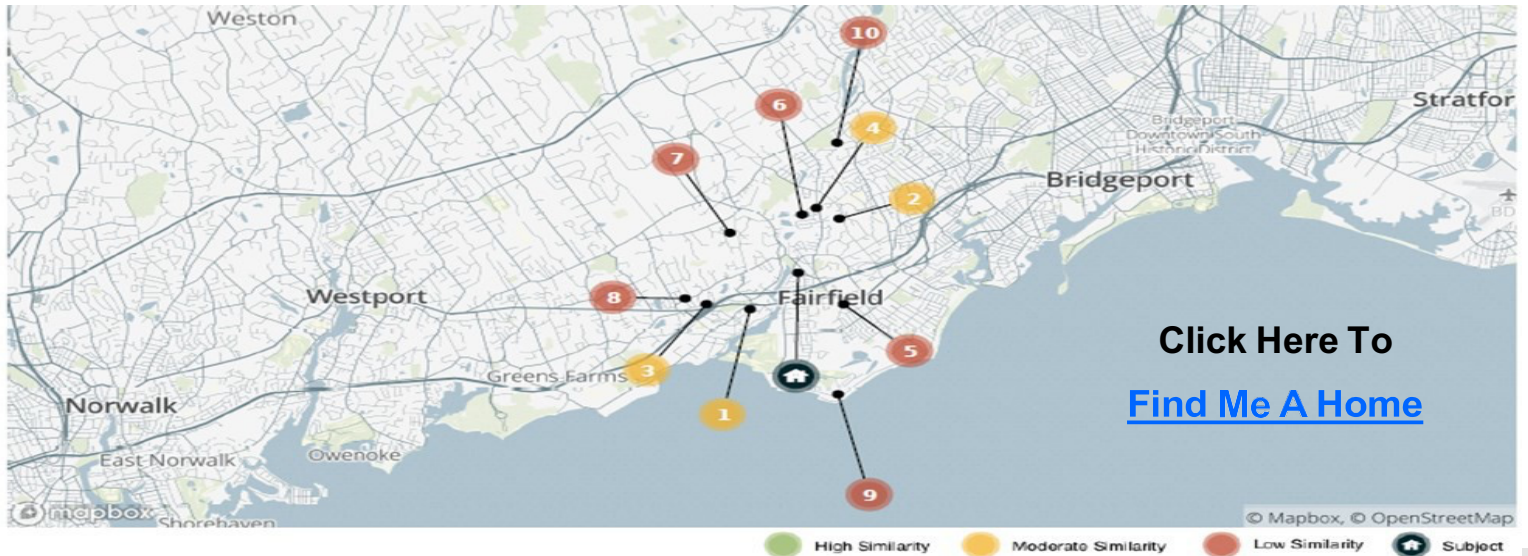
## HouseCanary Forecast for Subject



### 3 Year Growth

1 Year	+16%	2 Year	+29%	3 Year	+35%
2022	\$325,726	2023	\$362,389	2024	\$379,949

## Map of Active Listings



Click Here To  
[Find Me A Home](#)

## Information About Active Listings

#	SIMILARITY	DISTANCE	PROPERTY	LIST PRICE	LIST DATE	AGE	BEDS	BATHS	GLA	SITE AREA	DAYS ON MARKET
-	-	-	<b>SUBJECT</b>	-	-	93	4	2.5	2642	27000	-
1	Moderate	0.75mi	178 Taintor Dr Southport, CT 06890	\$1,299,000	04/2021	60	5	4.5	3267	20909	27
2	Moderate	0.93mi	1091 Round Hill Rd Fairfield, CT 06824	\$799,900	03/2021	73	3	2.5	1983	36590	55
3	Moderate	1.08mi	10 Southport Rdg Southport, CT 06890	\$799,000	03/2021	16	3	2.5	2473	6011	63
4	Moderate	1.0mi	21 Lakeside Dr Fairfield, CT 06824	\$1,199,000	05/2021	71	4	2.5	2591	13665	5
5	Low	0.68mi	95 Ruane St Fairfield, CT 06824	\$950,000	01/2021	118	7	3.0	2974	6000	124
6	Low	0.88mi	229 Lakeside Dr Fairfield, CT 06824	\$949,000	04/2021	64	3	4.0	2952	54014	12
7	Low	0.94mi	278 Sherwood Dr Southport, CT 06890	\$1,395,000	04/2021	66	5	3.5	3244	360241	33
8	Low	1.26mi	16 Osborne Ln Southport, CT 06890	\$1,147,000	04/2021	27	4	3.5	2820	19960	19
9	Low	1.88mi	454 Pine Creek Ave Fairfield, CT 06824	\$2,449,000	04/2021	71	3	2.5	-	20375	34
10	Low	2.01mi	28 Still Meadow Pl Fairfield, CT 06824	\$1,399,000	05/2021	25	4	2.5	3319	26745	5