716 PROPERTY MANAGEMENT

MANAGEMENT AGREEMENT

THE CONTRACT: This contract to manage residential rental property is made this _____________ (date) by and between _________________ ("Owner") and 716 Property Management ("Property Manager").

WHEREAS, the Owner desires to engage the services of the Property Manager.

NOW, THEREFORE, for good and valuable consideration, subject to the terms and conditions of this agreement, the parties agree as follows:

PROPERTY: All of the property to be managed by Property Manager shall be set forth on Schedule A annexed hereto and made a part hereof ("Property").

TERM: The initial term of this contract shall be twelve (12) calendar months. Thereafter, this contract shall automatically be renewable on an annual basis. Either party shall retain the right to cause an early termination of this agreement with thirty (30) days' notice for convenience. Owner further understands and agrees that funds may be withheld for up to sixty (60) days after the end of the month in which this agreement is terminated to pay bills previously incurred but not yet invoiced and to close accounts.

FEES: The Owner shall pay the Property Manager the following fees for services rendered: (1) ***8% of rent*** per residential unit for rent collection, fielding tenant telephone calls, interfacing with the Owner, tracking income/expenses, and issuing monthly statements to the Owner ("Management Fee"); (2) leasing commission equal to ***80% of 1 month rent*** for each unit leased to a tenant ("Leasing Fee"); (3) In house maintenance fee or *handyman at $80hour*; and (4) $100 per unit for the execution of a renewal lease ("Renewal Fee") (collectively "Property Manager's Fees").

PROPERTY MANAGER'S FEES: Owner agrees to pay Property Manager its Property Manager's Fees for services rendered. In addition, Owner shall pay Property Manager on a Time & Materials basis for any services required to be rendered by the Property Manager concerning making repairs or capital improvements authorized by this contract, the meeting real estate appraisers, real estate agents, insurance adjusters, building inspectors, and utility service representatives; making interior inspections of a unit (other than at the termination of a lease); compiling reports or information related to the sale of the Property; and any cleaning authorized pursuant to this Agreement.

RESPONSIBILITIES OF PROPERTY MANAGER: Property Manager will have the following responsibilities:

RENTING THE PROPERTY: Property Manager will make timely efforts to ensure the Property is rented. Property Manager will discuss screening criteria with the Owner, and though Property Manager will have the discretion and authority to execute and enter into on behalf of Owner, as an authorized agent thereof, leases of the Property on the terms, conditions and rental price will be agreed by all parties. Property Manager may negotiate all extensions and renewals of such leases with owner input.

MAINTENANCE: Property Manager will make or cause to be made and supervise routine repairs and capital improvements on the Property unless limited by the Owner. Owner hereby authorizes Property Manager to purchase supplies pursuant to this contract and pay all bills thereof, at Owner's expense. The Property Manager agrees to secure the prior approval of Owner on all non-routine expenditures in excess of $1500.00 for any one item, except monthly or recurring operating charges and/or emergency repairs in excess of the maximum, if in the opinion of the Property Manager such repairs are necessary to protect the Property from damage or to maintain services to the tenants as called for in the lease(s). Owner will have visibility to all activities in real time through the Owner Web Access (OWA) portal.

ADVERTISING: Property Manager will be responsible for advertising the Property for rent. Owner hereby gives Property Manager authority to display a "FOR RENT" sign on the Property.

BILLS: All expenses incurred by Property Manager in connection with the Property will be the responsibility of Owner, paid for by Owner, and will be invoiced monthly. Owner will pay Property Manager any disbursements made by Property Manager concerning the Property within ten (10) days of the date of the invoice sent by the Property Manager to Owner. Property Manager shall not be under any obligation to pay a bill or perform a service hereunder if there are not sufficient reserve funds allocated to the Owner in the Property Manager's Operating Account.

SECURITY DEPOSITS: Property Manager will maintain an escrow account at a bank that is a member of the Federal Deposit Insurance Corporation for all security deposits to be held. This account will not generate any interest; therefore, none will be paid on it. If a particular Property has more than six (6) units, a separate, interest bearing escrow account shall be established as required by law. Any security deposits held by Owner prior to this agreement will be transferred to Property Manager to be placed in the Property Manager's escrow account. Property Manager shall adhere to the New York General Obligations Law with respect to the handling and disbursement of tenant security deposits.

MONTHLY STATEMENTS: Property Manager will send Owner monthly statements on or about the 7th business day of every month for the previous month's results along with the payment due to the Owner under this agreement.

END OF THE YEAR REPORT: Property Manager will send an end of the year report along with an IRS required form 1099 by the 31st of January of the following year.

FAIR HOUSING: Property Manager shall comply with all Federal and State Fair Housing Laws. The Property will be available for and shown to people from any of the protected classes.

LATE FEES AND NSF CHECKS: Late fees shall be collected and the proceeds retained by the Property Manager. Non-sufficient funds (NSF) fees shall be collected and retained by Property Manager.

RESPONSIBILITIES OF OWNER: Owner will have the following responsibilities:

BILLS: Owner will be responsible for paying for the utilities, mortgage, property taxes, and property and liability insurance. Owner shall keep all utilities on in the Property even if it is vacant. Furthermore, Owner will be responsible for paying Property Manager for any overage expenses incurred during a given month, if any.

DEFICIT BALANCE: Property Manager shall have no obligation to advance any funds to or on the Owner's behalf. If Property Manager does advance funds, however, Owner shall pay promptly any deficit balance upon receipt of the monthly statement which reports the amount due. A service charge of 1.5% per month shall be added to balances not brought current within ten (10) days after the Property Manager sends an invoice for such items. Owner agrees to report any error or discrepancy in writing within thirty (30) days of receipt of monthly statement. Failure to report any such error within thirty (30) days of each statement, constitutes a waiver of any such claim.

PROPERTY CONDITIONS: Owner will allow Property Manager to make necessary repairs to the Property to offer tenants a safe, functional, and quality home. If Property Manager feels that Owner is not offering a good quality of living for the tenants, Property Manager may terminate this contract for cause.

OTHER ITEMS:

EMPLOYMENT OF AGENT: The manager of 716 Property Management is a licensed real estate broker. Property Manager shall act as exclusive agent of Owner to manage, operate and maintain the Property pursuant to this agreement.

NOTICES: All notices in this agreement shall be in writing. These notices may be in electronic form, such as email if receipt is confirmed; hand delivered; or delivered by U.S. Postal Service.

HOLD HARMLESS: Except in cases where the Property Manager acts intentionally or is otherwise grossly negligent, Owner further agrees to hold Property Manager harmless from all damage, losses, suits, and claims in connection with the Property Manager's services rendered pursuant to this agreement or incurred in connection with the Property or any tenant, vendor, contractor, or third party concerning the Property.

INDEMNIFICATION: Property Manager shall not be deemed as a guarantor for the collection of any rent payment. Owner further holds Property Manager harmless for any damage, collection loss or repair expenses incurred by reason of Property Manager's involvement in the management, operation, and maintenance of the Property. Owner shall defend and indemnify Property Manager against any claim brought by a third party for any reason except for any claim due solely to the Property's Manager's gross negligence or intentional act.

INSURANCE: Owner shall, at his or her own expense, obtain and maintain at all times proper insurance on the properties managed, including liability coverage of at least $1,000,000.

AUTHORITY: Owner hereby gives authority to Property Manager to sign, renew, and/or cancel leases for the Property or any part thereof; to collect rents due or to become due and give receipts thereof; to terminate tenancies and to sign as authorized agent of the Owner; to institute and prosecute actions to evict tenants and to recover possession of the Property; to sue for and recover rents and other sums due; and when expedient, to settle and discontinue such actions or suits or reinstate such tenancies.

ATTORNEY'S FEES: If Property Manager brings litigation to enforce any of the terms hereof, Owner shall bear all costs and expenses of litigation including, but not limited to, reasonable attorney fees, court filing fees, service of process fees, and fees for the Marshal/Sheriff. If Property Manager or Owner brings litigation to enforce any terms of this agreement, the prevailing party shall be entitled to recover reasonable attorneys' fees and court costs from the other party.

GOVERNING LAWS: This agreement, the relative rights and obligations of the parties, and all performance hereunder shall be governed by and construed in accordance with the laws of the State of New York. Any action to enforce this agreement shall be venued in New York State Supreme Court in the County of Erie.

ACKNOWLEDGEMENT: Owner acknowledges he/she has read this agreement, understands its contents and states there are no other agreements or conditions other than as set forth herein.

AUTHORIZATION: Each person executing this agreement on behalf of Owner and/or Property Manager warrants and represents to the other party that such person is duly authorized to do so. Further, Owner and Property Manager both represent and warrant that the intention of the person signing on behalf of each party, if e-signatures are utilized, is to attribute its respective signature to such document, and that the e-signature represents the signer's signature to the e-signed document. Owner and Property Manager understand and agree that the e-signatures on any e-signed documents are legally binding. Owner and Property Manager waive all rights to repudiate the authenticity or validity of any e-signature utilized to execute this agreement to the extent such repudiation is based in whole or in part on the fact that such signature is not in an original handwritten form.

____________________________________ ______________
____________________________ Date
By: _________________________

____________________________________ ______________
716 Property Management Date
By: Gregory Straus, As Manager & Licensed RE Broker

SCHEDULE A

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Pet Addendum

This addendum is a part of the PMA Agreement dated: _________________________

Between (PROPERTY MANAGER): 716 Property Management, LLC

And (OWNER______________________

Property Manager promotes a pet-friendly leasing policy. We believe that this brings a wider pool of potential tenants to select from and that these tenants stay for longer terms.

If the Owner agrees to have pets in the Property, Property Manager will be responsible for the following:

1. Damages to the Property discovered after move out attributed to a tenant's screened pets up to a maximum amount of 1 month of rent.
2. Eviction costs due to pet-caused issues.

For these services, Property Manager will collect the additional rent for the pet.

The parties have affixed their signatures to this Addendum as of the date first set forth in the PMA.

____
By:

____
716 Property Management, LLC
By: Gregory Straus, As Manager

Large Project / Renovation Management Addendum

This addendum is a part of the PMA Agreement dated: ________________________

Between (PROPERTY MANAGER): 716 Property Management

And (OWNER): __________________

Property Manager will manage routine maintenance ("Small Job") for Owner without markup – any invoice generated by a third-party vendor or contractor will be passed to the Owner with no additional charge being added.

Renovations and capital improvements that are over $2,000 in value that require multiple quotations and/or multiple site visits ("Large Job") will have a project management fee that Property Manager charges to the Owner (not to exceed 5% of the gross cost of any Large Job charged by the vendor(s) or contractor(s).

The project management fee for a Large Job ("Project Management Fee") will be based on effort expended and time incurred by Property Manager during the duration of the Large Job and is intended to cover the administrative cost incurred by Property Manager for monitoring the Large Job for the benefit of the Owner.

The parties have affixed their signatures to this Addendum as of the date first set forth in the PMA.

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By: __________________

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716 Property Management
By: Gregory Straus, As Manager