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P.O. Box 1227 • Apple Valley, California 92307 • (760) 240-9535 • Fax (760) 240-9670

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Thank you for contacting Valley Insured Property Management, Inc. We hope to answer some of your questions about our firm and the general business of property management.

Our firm specializes in professional property management in all areas of the High Desert. Our management consists of residential, apartment complexes and commercial properties. We have a team of knowledgeable people representing the owner/investor and acting with his best interest uppermost in their minds. Our company is incorporated. All of our rental agents are licensed with the Department of Real Estate and all of our employees are bonded. We have been in business since 1982 and remain a highly successful and growing company in the High Desert.

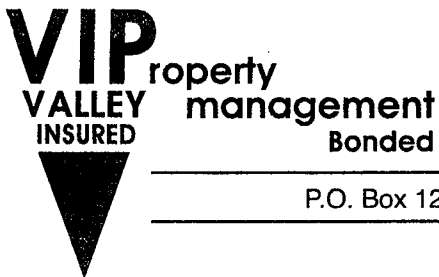
What does a property management company do for an owner? Our duties consist of tenant relations, rent collections, complaint processing, maintenance problems, monthly drive-by inspections and record keeping. Financial and drive-by inspection reports are sent to each owner on a monthly basis. Our primary goal is the owners cash return. We endeavor to acquire tenants who pay rent in a timely manner, maintain the property well and occupy the rental for a long period of time. All prospective tenants are run through a credit check, criminal background check, rental history and employment history check.

Our management fee is 50% of the first months rent upon obtaining a new tenant and 10% of the monthly rent rate or 6% of total dollar amount of the lease term (1 year or more) and 10% of the monthly rent rate. This fee is negotiable on commercial/apartment complexes of more than 4 units. This would also apply to a single owner that places more than 4 homes with us. Each contract is individualized for the subject property/owner. No two properties are exactly alike and each needs special consideration. Many decisions must be made and agreements have to be reached concerning the rent schedules, owner's cash return, advertising, etc. However, our competent staff is well equipped to help with all decision making fundamental to the protection of each owner's investment.

Our full service company is geared toward relieving the owner of investment property of its management burdens. As managers, our role is to produce the highest possible net yield, consistent with good economics, for your property.

Our hours are Monday through Friday from 9:00 a.m. to 5:00 p.m. and Saturdays, 10:00 a.m. to 2:00 p.m. Our message manager is on at all other times and calls are monitored for emergency repairs after business hours and during holiday closures.

Again, thank you for contacting us. If you have any further questions, please let us know.



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## MANAGEMENT AGREEMENT-DRE#00927847

THE UNDERSIGNED OWNER hereby employs the undersigned AGENT exclusively to rent, lease, operate and manage the real property situated in the CITY of \_\_\_\_\_, COUNTY of \_\_\_\_\_ STATE of \_\_\_\_\_, described as: \_\_\_\_\_

\_\_\_\_\_ for a period commencing this date and terminating at midnight of \_\_\_\_\_ and thereafter automatically for annual periods, unless terminated by either party by a written (30) thirty days notice, upon the following TERMS and CONDITIONS:

### BROKER'S OBLIGATIONS

Herein after BROKER known as AGENT, owner hereby confers upon the Agent the following duties, authority and powers:

1. **LEASING:** To execute leases for terms not to exceed \_\_\_\_ years, renewals or cancellations of leases relating to the property; to terminate tenancies and to sign and serve for the Owner such notices as Agent deems appropriate; to institute legal actions in the name of the Owner (within legal limits approved by the courts), to evict tenants and recover possession of the premises, to recover late rents, and to settle, compromise and release such actions.
2. **AGENT** guarantees tenant to remain a minimum of (4) four months or agent will re-rent at no charge.
3. **RENTS:** To collect rents and to collect and disburse security and other deposits; to deposit all receipts collected for Owner in a trust account with a qualified banking institution, but Agent shall not incur any liability for bankruptcy or failure of the depository.
4. **MAINTENANCE:** To hire, discharge and supervise all labor and employees required for the operation and maintenance of the premises. Agent may perform any of its duties through Owner's attorneys, agents, or employees, and shall not be responsible for their act, default, or negligence if reasonable care has been exercised in their appointment and retention; and, further, all parties thus employed shall be deemed as the Owner's employees.

**PAGE 2 – MANAGEMENT CONTRACT**

- 5. SERVICE CONTRACTS:** To execute contracts for utilities and services for the operation, maintenance and safety of the property, as the Agent shall deem advisable and/or necessary, and the Owner will assume the obligation of any contract so entered into.
- 6. REPAIRS:** To take charge of repairs, decorating and alterations and to purchase supplies therefore Agent agrees to obtain Owner's prior authorization for any and each expense item in excess of \$ \_\_\_\_\_, except monthly or recurring operating charges or **EMERGENCY REPAIRS** or in the event the Owner is not reasonably available for consultation. If the Agent deems such expenditures in excess of this amount necessary for the protection of the property from damage or to perform services to the tenants provided for in their leases.
- 7. DISBURSEMENTS:** To accrue and make disbursements form Owner's funds for: contractual mortgage payments, property taxes, property insurance premiums as directed by property owner. No payments for these obligations will be made without sufficient funds to cover the expenses.
- 8. PERIODIC STATEMENTS:** To render monthly itemized statements of receipts, expenses, charges and accruals and to remit to Owner receipts less disbursements and accurate for future expenses. In the event disbursements shall exceed receipts, Owner shall promptly remit such excess to the Agent. Owner assumes full responsibility for the payment of any expenses and obligations incurred in connection with the exercise of Agent's duties set forth herein.

**OWNER'S OBLIGATIONS**

- 1. BROKERAGE FEES:** Owner agrees to pay Agent a fee, or fees for services rendered at the rates hereinafter set forth. Owner recognizes Agent in any negotiations relative to the property or any part thereof, which may have been initiated during the term hereof, and if consummated, shall compensate Agent in accordance with the rates hereinafter set forth. Such compensation is due and payable on demand and may be deducted by the Agent from receipts.

**MANAGEMENT FEE:** 50% of 1<sup>st</sup> months rent upon obtaining a new tenant and 10% of the monthly rent rate thereafter.

**For a lease term of 1 year or more:** 6% of the total dollar amount of the lease term and 10% of the monthly rent rate thereafter.

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- 2. INDEMNIFICATION:** Owner agrees to Indemnify and save the Agent harmless from any and all costs, expenses, attorney's fees, suits, liabilities, damages or claim for damages, including but not limited to those arising out of any injury or death to any person or persons or damage to any property of any kind whatsoever and to whomsoever belonging, including Owner, in any way relating to the management of the premises by the Agent or the performance or exercise of any of the duties, obligations, powers, or authorities herein or hereafter granted to the Agent; to carry at Owner's sole cost and expense such policies of public liability, property damage and Worker's Compensation Insurance as shall be adequate to protect the interests of the Agent and Owner, which policies shall name the Agent as well as the Owner as the party insured. Further, owner shall provide proof of insurance naming Agent as an additional named Insured on such policies within (60) sixty days of the execution of this Agreement.
- 3. ATTORNEY FEES:** In any action between Agent and Owner arising out of this Agreement, the prevailing party shall be entitled to reasonable attorney's fees and costs.
- 4. DATA AND RECORDS:** Owner agrees to make available to agent all data, records, and documents pertaining to the property which the Agent may require to exercise his duties hereunder, Owner agrees to provide any and all information with regard to any security deposits on all property, subject to this Management Agreement.
- 5. OTHE TERMS:** At the termination of this Agreement, owner hereby agrees to hold Agent harmless from liability for the disposition of any personal items left by Owner and/or owner's agents on the premises.

Service charge of \$100.00 will be paid by owner if canceling within first (4) four months of contract.

Agent will not be responsible for owner's personal items left on premises.

Owner to make available to Agent social security/ID numbers, copy of Insurance policy, location of septic system and turn off valves, and any warranties.

Upon signing the management agreement, VIP will provide newspaper advertisement for the 1<sup>st</sup> week. After the 1<sup>st</sup> advertisement, the cost will be incurred by the owner.

**PAGE 4 – MANAGEMENT CONTRACT**

**RENT to be \_\_\_\_\_ per month, with \$ \_\_\_\_\_ security deposit.**

**PETS ALLOWED: Yes \_\_\_\_\_ No \_\_\_\_\_ Pet Deposit \_\_\_\_\_**

**Owner to deposit into Owner Account (operating fund) \$ \_\_\_\_\_, to be maintained in trust for emergency expenditures.**

**Owner is aware that funds will not be disbursed in advance of them being received into Owner's operating account. Management is not responsible for late payment fees if the funds were not available. \_\_\_\_\_ (Initial)**

**If the owner holds security deposits, management will not disperse rental amount paid with a 30-Day Notice as to guarantee that funds are available for security deposit refunds. \_\_\_\_\_ (Initial)**

**If Owner wishes to contract with anyone other than licensed and insured repairmen, Owner will be responsible for payment and will hold VIP Management, Inc. completely harmless of any liability incurred with this decision. \_\_\_\_\_ (Initial)**

**The Agent accepts this exclusive employment and agrees to use due diligence in the exercise of the duties, authority and powers conferred upon him under the terms hereof.**

**Dated: \_\_\_\_\_**

**By Agent: \_\_\_\_\_**

**DRE#00927847**

**DATED: \_\_\_\_\_**

**OWNER: \_\_\_\_\_**

**OWNER'S SOCIAL SECURITY #: \_\_\_\_\_**

**OWNER SIGNATURE: \_\_\_\_\_**

**ADDRESS: \_\_\_\_\_**

**PHONE: \_\_\_\_\_**

**Would you be willing to accept a Section 8 Housing & Urban Development Tenant:**

**Yes \_\_\_\_\_ No \_\_\_\_\_ Initial \_\_\_\_\_**

**HOUSE DESCRIPTION**

Property address: \_\_\_\_\_

City \_\_\_\_\_ Zip Code \_\_\_\_\_ X-Street \_\_\_\_\_

**Fill in or check boxes as they apply:**

Year built: \_\_\_\_\_

# of bedrooms: \_\_\_\_\_ # of Baths: \_\_\_\_\_ # of Garage: \_\_\_\_\_ # of Remotes: \_\_\_\_\_

Family room: \_\_\_\_\_ formal dining: \_\_\_\_\_ Fireplace: \_\_\_\_\_

Laundry room: \_\_\_\_\_ Location of laundry room: \_\_\_\_\_

Gas: \_\_\_\_\_ Electric: \_\_\_\_\_ Approx Sq. Ft.: \_\_\_\_\_

Appliances Inc.: \_\_\_\_\_

Cable Ready: \_\_\_\_\_ Pool: \_\_\_\_\_ Spa: \_\_\_\_\_

Landscaped: \_\_\_\_\_ Sprinkler Sys: \_\_\_\_\_ Auto/Manual: \_\_\_\_\_

Fencing: \_\_\_\_\_ Front: \_\_\_\_\_ Back: \_\_\_\_\_

Heat/A/C System: \_\_\_\_\_ Swamp Cooler: \_\_\_\_\_

Utilities Pd by Owner: \_\_\_\_\_

Utilities Pd by Tenant: \_\_\_\_\_

Date Re-Keyed: \_\_\_\_\_ (Unit needs to be re-keyed after last tenant. We will need 4 keys to property)

Property COMPLETELY ready to be rented: \_\_\_\_\_ Date ready: \_\_\_\_\_

Is the Property Clean & Showable: \_\_\_\_\_

**Any additional information:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

## VIP Property Management Single Family Home/Multi-Unit Condition Report

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

Property address \_\_\_\_\_

Please answer all questions: When answering the questions please take into consideration if you would live in the house/apt considering the current conditions. We understand it may not be perfect but the home/apt. needs to be neat and presentable for us to show it and get it rented quickly. All work must be completed before we will show the property.

### INTERIOR:

Does your heating/AC work appropriately/new filter?	yes	no
Has the interior of the house/apt. been recently cleaned?	yes	no
If it has not been cleaned do you want us to have it cleaned	yes	no
Are there any pest or bug control problems?	yes	no
Is there any current remodeling or work in progress that is not complete?	yes	no
Is the interior free of all trash or broken furniture etc.?	yes	no
Are there smoke alarms in all of the bedrooms that work?	yes	no
Are there any interior keyed doors?	yes	no
Are there any un-permitted additions?	yes	no

### CARPET/FLOORING/TILE

Has the carpet been professionally cleaned?	yes	no
Is it in decent condition (no holes stains etc.)?	yes	no
Does it have excess wear and tear?	yes	no
Does it have any noticeable stains, cracks etc.?	yes	no
Are the baseboards in decent condition?	yes	no

### PAINT

Has the interior recently been repainted?	yes	no
Excess holes or dirt?	yes	no
Chips cracks etc.?	yes	no

### WINDOWS/DOORS/HALL CABINETS

Are they all in correct working condition (open/close appropriately)?	yes	no
Are there any broken windows, doors or screens?	yes	no
Are all doors attached appropriately?	yes	no
Do all rooms exit ways have the appropriate doors/slides etc.?	yes	no
Do all closet doors function easily and appropriately?	yes	no
Do all window locks work?	yes	no
Do all windows and sliders have screens?	yes	no

**KITCHEN/BATHROOMS**

Does all plumbing work appropriately?	yes	no
Are all faucet fixtures/toilets in place?	yes	no
Are all of the cabinets/drawers intact and working?	yes	no
Are the tubs/sinks in decent condition (clean)?	yes	no
Are counter-tops in decent condition?	yes	no

**EXTERIOR**

Does the property contain landscaping?	yes	no
Front landscaping?	yes	no
Rear landscaping?	yes	no
Is the outside free of excess weeds/trash?	yes	no
Is the property fenced/walled?	yes	no
Is the driveway and all walkways free of hazards(large cracks, holes, etc.)?	yes	no
Do you have large trees that may impact septic or water lines?	yes	no
If you have a pool/spa is it working?	yes	no
Is the exterior paint in decent condition?	yes	no

**ROOF**

Are all tiles shingles intact?	yes	no
Any leaking that you are aware of?	yes	no
Are patio covers properly secured?	yes	no

**GARAGE**

Do you have a garage?	yes	no		
What size is it?	1	2	3	carport
Is it in good working condition?	yes	no		
Is there an entrance to home from garage?	yes	no		
Do all doors work and lock?	yes	no		
Is garage free of all hazards?	yes	no		
How many remotes?	1	2		

**UTILITIES**

Are you willing to pay any utilities?	yes	no	
Which ones would you pay or help pay?	trash	water	gardener

Do you have any extra carpet, tile or paint that would match the current color patterns?  
Do you have any detached buildings or sheds that we would need a key to?

Please refer to the last page to explain any answers further.

VIP PROPERTY MANAGEMENT, INC.  
P.O. BOX 1227  
APPLE VALLEY, CA 92307  
(760) 240-9535  
FAX: (760)-240-9670

**ADDENDUM TO MANAGEMENT AGREEMENT**

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

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

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

The undersigned Owner hereby states that they are unaware of any issues relating to lead-based paint, asbestos or mold at this property and thereby hold VALLEY INSURED PROPERTY MANAGEMENT, INC., harmless of any potential legal issues relating to same.

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

\_\_\_\_\_  
Date

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

\_\_\_\_\_  
Date

DATE: \_\_\_\_\_ OWNER NAME: \_\_\_\_\_

PROPERTY ADDRESS: \_\_\_\_\_

We require a \$200 for your operating fund to open your management account. We would use these funds to pay the utility bills until a tenant moves in, re-keying the home etc.

We would set up the utilities in VIP's name on the owner's behalf and the bills would come to us. We have continuity agreements with the utility companies so there is an easier transition when the tenants move in and out.

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For a minimal fee we contract with an outside Vendor to change the filter in the A/C -heating unit and change the batteries in the smoke detectors twice a year. (This also allows us to get someone inside the home to do a visual inspection)

\_\_\_\_\_ I wish to sign up for the twice-annual smoke alarm/filter change service. I realize that I will be charged the fee for this service.

\_\_\_\_\_ I do not wish to sign up for the twice annual smoke alarm/filter change service and I agree to hold VIP Mgmt, Inc. completely harmless of any liability that should arise as a result of this decision.

Thank you.



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**PLEASE FILL OUT AND SEND TO YOUR INSURANCE CARRIER**

Name of Insurance Company: \_\_\_\_\_

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

To Whom it may concern:

Please add the following party as an additional named insured to my existing insurance policy.

The policy number is \_\_\_\_\_ for the property

located at \_\_\_\_\_

\_\_\_\_\_

VALLEY INSURED PROPERTY MANAGEMENT  
P.O. BOX 1227  
APPLE VALLEY, CA. 92307  
(760) -240-9535  
FAX (760) -240-9670

Further, please provide proof insurance naming such additional insured to said party as soon as this request has been accomplished.

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_

Owner Printed Name \_\_\_\_\_ Owner Signature \_\_\_\_\_ Date \_\_\_\_\_