4801 Forest Run Road Madison, Wisconsin 53704

PROPERTY MANAGEMENT AGREEMENT



Do not use as a listing for sale (designed for use by real estate licensees).

	GENERAL PROVISIONS Property Management Agreement ("Agreement") made this 14th day of July ,
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3	("Owner"), andBMA Property Management LLC ("Manager").
5	PROPERTY DESCRIPTION Street address is: 315 3rd Street South
6	in the of LaCrosse, County of
7	Wisconsin , Wisconsin ("Property"). Property includes 4 rental Units subject to this agreement.
	Insert schedule of Units, additional description and additional properties at lines 297-303 or in an addendum per lines
	304-306, as needed.
	Owner gives Manager the exclusive right to manage the Property on the following terms:
	[COLLECTION OF RENT AND OTHER FUNDS] CHECK, COMPLETE AND STRIKE AS APPLICABLE :
12 13	Owner shall collect the following types of funds: application fees, credit check fees, earnest money, security deposits, rent, income,
14	and deposit them in the following account:
15	Owner's Property Account, Manager's Trust Account,
16 17	Manager as Signatory. Owner will designate Manager as a signatory on the Owner's Property Account and authorizes Manager to make all disbursements authorized under this Agreement.
18 10	<u>X</u> <u>Manager shall collect</u> the following types of funds: application fees, credit check fees, earnest money, security deposits, rent, income,
20	and deposits them in the following account:
	Owner's Property Account, Manager's Trust Account, and deposit them in the following decount.
22	Other:
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25	DISBURSEMENT OF PROPERTY FUNDS Manager shall pay all obligations and expenditures necessarily and
26	properly incurred on behalf of the Owner in the management and operation of the Property including, but not limited to,
27	insurance premiums, real estate taxes, mortgage payments, supplies, maintenance, advertising costs, repairs and
	expenses necessitated by tenant damage or turnover (cleaning, carpet replacement, etc.) and professional fees
29	("Monthly Expenses"). Additional Monthly Expenses may include:
30	; (strike any that do not apply). Manager shall disburse the
	management fee when due (see lines 37-46).
	Owner shall maintain sufficient funds in the account used by Manager to pay Monthly Expenses and shall provide
	adequate reserve funds for repairs and emergencies. Owner shall upon written notice by Manager promptly deposit
	additional funds as may be necessary to pay Monthly Expenses and other expenses that are the responsibility of
	Owner if the account balance becomes insufficient to meet these needs. Owner shall reimburse Manager within 30
	days for any funds advanced by Manager from Manager's funds on Owner's behalf.
	MANAGEMENT FEE Manager's compensation shall be paid on a regular monthly basis or
	Manager shall also be due the following fees: CHECK AND COMPLETE AS APPLICABLE:
39 40	X A leasing/renewal fee in the amount of payable payable
	upon execution of an original Lease or Rental Agreement and upon any renewal of a Lease or Rental Agreement;
42	Termination fee in the amount of
	if the sale of the Property's terminates this Agreement;
44	Collection fee in the amount of for bad debts collected by Manager;
45	Other:
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47	COMPENSATION TO OTHERS: Manager will offer the following commission to cooperating tenant representatives
	when renting the Units:
	NOTICE: Manager has the authority under section 779.32 of the Wisconsin Statutes to file a broker lien for commissions or compensation earned but not paid when due against the commercial real estate, or the inter-
	est in the commercial real estate, if any, that is the subject of this Agreement. "Commercial real estate"
	includes all real estate except (a) real property containing 8 or fewer dwelling units, (b) real property that is

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53 zoned for residential purposes and that does not contain any buildings or structures, and (c) real property that is zoned for agricultural purposes. MANAGER'S AUTHORITY Owner authorizes Manager to perform the following property management duties. Manager agrees to use professional knowledge and skill and reasonable efforts to fulfill the following tasks: 56 **Marketing:** Advertise the availability of rental Units by reasonable means, including, without limitation, the 57 Internet, multiple listing services, social media, "For Rent" and other appropriate signs. **Showings:** Show rental Units at reasonable times and upon reasonable advance notice as required by law. 59 **X** Select Tenants: Solicit, review and verify tenant applications; and qualify and approve prospective tenants in accordance with Owner's written tenant screening standards and fair housing and other applicable law. Attach Owner's written tenant screening standards per lines 304-306. 62 x Execute Rental Agreements: Prepare Leases, Rental Agreements and other legally required disclosures and 63 documents using forms provided by or approved by Owner (all forms shall identify Owner or an attorney as drafter); and negotiate, sign (as agent of Owner), renew and terminate rental agreements for the rental Units in accordance with Owner's rental criteria and standards attached to this agreement in accordance with lines 304-306. Lease terms shall be no longer than one year without prior written authorization of Owner. x Legal Action: Sign and serve, as agent of the Owner, such notices as may be appropriate. To the extent allowed 68 by law, initiate appropriate legal action as agent of the Owner, including but not limited to, legal action to terminate tenancies, evict tenants, recover possession of Property, recover rents and other money due Owner; and settle, compromise and release such actions and reinstate such tenancies as deemed necessary by Manager. Manager may retain legal counsel on Owner's behalf, upon Owner's prior written approval, to provide legal advice or take legal action on behalf of Owner. 73 X Maintenance and Repairs: Make all necessary repairs, improvements, and alterations required to maintain the 74 Property in a good state of repair and appearance; purchase or lease on behalf of the Owner, all equipment, tools, 75 appliances, materials and supplies necessary for the continuous maintenance and operation of the Property; and hire outside contractors as necessary. Attach any itemized schedule of maintenance and repair items and responsibilities in 77 accordance with lines 304-306. Manager agrees to secure the prior approval of the Owner on all expenditures in excess 78 of \$100.00 for any one item, except when, in the opinion of the Manager, such maintenance 79 or repairs are necessary to protect the Property from damage or to maintain required services to the tenants ("Emergency Maintenance or Repairs"). Manager will promptly notify Owner of any Emergency Maintenance or 82 Repairs. Utilities and Service Contracts: Enter into utility and service contracts as agent of Owner, including but not 83 limited to, contracts for electricity, gas, fuel, water, telephone, cleaning, trash removal, snow removal, lawn care, pest control and other contracts for goods and services as Manager shall deem advisable and necessary for the efficient 85 operation and maintenance of the Property. Owner approval is required for contracts exceeding three (3) years or the 86 term of this Agreement. 87 **X Employees:** Employ, discharge, and supervise, as agent of the Owner, any on-site managers, maintenance staff and other employees required for the efficient operation and maintenance of the Property. All such on-site managers, maintenance staff and other employees shall be, for all purposes, employees of (Owner) (Manager) STRIKE ONE ("Manager" if neither is stricken) (hereinafter "Employer"). Employer shall be solely responsible for injuries and damages caused by employees' acts of omissions except for injuries and damages caused by the other party's negligence or intentional wrongdoing. Employer shall obtain Worker's Compensation coverage if applicable. X Other: After hours calls to Manager for maintenance or emergencies (5pm to 8am) will be billed at 55.00 per hour 95 96 Attach addenda if needed. 97 BOOKS OF ACCOUNT AND RECORDS Manager shall maintain full and complete accounting books and records with 98 correct entries for all income and expenses resulting from the operation and management of the Property. Such accounting books and records shall be the property of the Owner and shall at all times be available electronically or 100 during regular business hours at Manager's principal place of business, for inspection by Owner or a duly authorized 101 representative of Owner. Manager shall furnish to Owner a detailed statement of all income and expense for each month on the following schedule: By the 15th of each month _ days after the close of Owner's accounting year Manager shall deliver to Owner a detailed statement of 104 all income and expense of such accounting year and shall, if instructed by Owner, cause to be prepared at Owner's expense and delivered to Owner, an accounting year-end balance sheet and a profit and loss statement of the Property for such accounting year, which shall be prepared by an accountant designated by Owner. 107 **OWNER COOPERATION** Owner agrees to: 108 (1) Make available to Manager all data, accounting, financial and tenant records, copies of all code violation orders and 109

and other documents and materials required in connection with management of the Property;

(2) Provide or approve tenant screening criteria, a Rental Agreement, nonstandard rental provisions, any rental agreement addender rules and regulations, and related forms and materials for Manager's use with tenants; and

notices, information and reports regarding any lead-based paint (LBP) and other conditions affecting the Property,

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(3) Cooperate fully with Manager in Manager's actions under this Agreement and immediately provide to Manager, in writing, the names and any contact information for any prospective tenant known to Owner. 115

OWNER REPRESENTATIONS Owner warrants and represents to Manager that:

- (1) Owner has no notice or knowledge of any of the following conditions affecting the Property unless indicated at lines 117 135-137, in an attached addendum per line 304-306, or disclosed in the documentation Owner has provided to Manager: 118
 - (a) Uncorrected code violations as described in Wis. Stat. § 704.07(2)(bm);
 - (b) A lack of hot or cold running water;

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- (c) Plumbing or sewage disposal facilities that are not in good operating condition;
- (d) Heating facilities serving any rental unit that are not in safe operating condition, or are not capable of maintaining a temperature, measured in occupied areas at the approximate center of the room, midway between floor and ceiling, of not less than 67° F (19° C) during all seasons of the year that the rental unit is occupied;
- (e) A lack of electrical service, or electrical wiring, outlets, fixtures or other components of the electrical system that are not in safe operating condition;
- (f) Any structural or other conditions in the Property which constitute a substantial hazard to the health or safety of the tenant(s), or create an unreasonable risk of personal injury as a result of any reasonably foreseeable use of the Property other than negligent use or abuse of the Property by tenant(s); and
- (g) Other conditions or occurrences that would significantly reduce the value of the rental interest to a reasonable person with knowledge of the nature and scope of the condition or occurrence.
- (2) Owner has made no rent concessions or other agreements affecting the Property.

E-Mail address for Owner: tranea@cityoflacrosse.org E-Mail address for Manager: brianm@ghrealtors.com

132 (3) Owner agrees to make the following repairs and build-outs to the Property: at the discretion of Owner 133 134 Exceptions to representations stated in lines 117-131: 135 136 137 **INSURANCE** Owner agrees to carry comprehensive insurance covering the Property in the amount Owner deems 138 appropriate for replacement coverage, with a minimum of 139 __) liability coverage, and to direct the company issuing the insurance to name Manager and 140 Manager's on-site managers, maintenance staff and other employees, as additional insureds under the policy's liability 141 coverage. **INDEMNIFICATION** Owner agrees to indemnify and hold Manager harmless for losses, damages, costs and expenses, including attorney's fees, arising out of this Agreement unless caused by the gross negligence or intentional wrongdoing of Manager. 145 **DEFAULT!** In the event of a material default by either party to this Agreement, this Agreement may be terminated by the non-defaulting party if such default is not cured within ten (10) days after delivery of written notice of such default to the defaulting party. In the event any legal proceeding (including appellate proceedings) arises as a result of any default under this Agreement, the prevailing party shall be entitled to reimbursement of any costs and expenses, including reasonable attorney fees, incurred by the prevailing party in connection therewith. **DELIVERY OF DOCUMENTS AND WRITTEN NOTICES** Unless otherwise stated in this Agreement, delivery of documents and written notices to a party shall be effective only when accomplished by one of the following methods: 152 153 (1) Personal: giving the document or written notice personally to the party, or the party's agent for delivery if named. Name of Owner's agent for delivery, if any: Andrea Trane, City of LaCrosse Name of Manager's agent for delivery, if any: Brian McCarty, BMA Property Management 155 (2) Fax: fax transmission of the document or written notice to the following number: 156 Manager: (157 (3) Commercial: depositing the document or written notice, fees prepaid or charged to an account, with a 158 159 commercial delivery service, addressed either to the party, or to the party's agent for delivery, for delivery to the party's address at line 163 or 164. 160 ____ (4) <u>U.S. Mail</u>: depositing the document or written notice, postage prepaid, in the U.S. Mail, addressed either to the party, or to the party's agent for delivery, for delivery to the party's address at line 163 or 164. 162 Address for Owner: 163 Address for Manager: 164 [X] (5) E-Mail: electronically transmitting the document or written notice to the e-mail address.

MISCELLANEOUS PROVISIONS This Agreement shall be governed by and construed in accordance with the laws of the State of Wisconsin. This Agreement represents the entire agreement of the Parties. All prior negotiations and 169 discussions have been merged into this Agreement. No modification or waiver of this Agreement or any part hereof the State of Wisconsin. This Agreement represents the entire agreement of the Parties. All prior negotiations and Agreement shall be deemed to be a waiver of any other subsequent breach or condition, whether of like or different nature. The validity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement. This Agreement shall be binding upon and inure to the benefit of the parties hereto, their personal representatives, successors, and assigns.

DEFINITIONS

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- 177 ADVERSE FACT: "Adverse fact" means any of the following:
 - (a) A condition or occurrence that is generally recognized by a competent licensee as doing any of the following:
 - 1) Significantly and adversely affecting the value of the Property;
 - Significantly reducing the structural integrity of improvements to real estate; or
 - 3) Presenting a significant health risk to occupants of the Property.
- (b) Information that indicates that a party to a transaction is not able to or does not intend to meet his or her obligations under a contract or agreement made concerning the transaction.
- DEADLINES DAYS: Deadlines expressed as a number of "days" from an event are calculated by excluding the day the event occurred and counting subsequent calendar days.
- LEASE: "Lease" means an agreement, whether oral or written, for transfer of possession of real property, or both real and personal property, for a definite period of time. A Lease is for a definite period of time if it has a fixed commencement date and a fixed expiration date or if the commencement and expiration can be ascertained by reference to some event, such as completion of a building. An agreement for transfer of possession of only personal property is not a Lease.
- MATERIAL ADVERSE FACT: "Material adverse fact" means an adverse fact that a party indicates is of such significance, or that is generally recognized by a competent licensee as being of such significance to a reasonable party, that it affects or would affect the party's decision to enter into a contract or agreement concerning a transaction or affects or would affect the party's decision about the terms of such a contract or agreement.
- RENTAL AGREEMENT: "Rental Agreement" means an oral or written agreement between a landlord and tenant, for the rental or Lease of a specific dwelling unit or premises, in which the landlord and tenant agree on the essential terms of the tenancy, such as rent. Rental Agreement includes a Lease. Rental Agreement does not include an agreement to enter into a Rental Agreement in the future.
- NON DISCRIMINATION Owner and Manager and its agents agree that they will not discriminate based on race, color, sex, sexual orientation as defined in Wisconsin Statutes § 111.32(13m), disability, religion, national origin, marital status, lawful source of income, age, ancestry, family status, status as a victim of domestic abuse, sexual assault, or stalking, or in any other unlawful manner.
- DISCLOSURE TO CLIENTS Note: The language on lines 205-287 is required by Wis. Stat. § 452.135(2) in an agency agreement for brokerage services, such as real estate rentals, between a manager who is a real estate licensee and an owner/client. Under Wisconsin law, a brokerage firm (herein firm) and its brokers and salespersons (hereinafter agents) owe certain duties to all parties to a transaction:
- 207 (a) The duty to provide brokerage services to you fairly and honestly.
- 208 (b) The duty to exercise reasonable skill and care in providing brokerage services to you.
- 209 (c) The duty to provide you with accurate information about market conditions within a reasonable time if you request it, unless disclosure of the information is prohibited by law.
- 211 (d) The duty to disclose to you in writing certain Material Adverse Facts about a property, unless disclosure of the 212 information is prohibited by law. (See lines 191-194.)
- 213 (e) The duty to protect your confidentiality. Unless the law requires it, the firm and its agents will not disclose your confidential information or the confidential information of other parties. (See lines 270-279.)
- 215 (f) The duty to safeguard trust funds and other property the firm or its agents holds.
- 216 (g) The duty, when negotiating, to present contract proposals in an objective and unbiased manner and disclose the 217 advantages and disadvantages of the proposals.

218 BECAUSE YOU HAVE ENTERED INTO AN AGENCY AGREEMENT WITH A FIRM, YOU ARE THE FIRM'S CLIENT. 219 A FIRM OWES ADDITIONAL DUTIES TO YOU AS A CLIENT OF THE FIRM:

- 220 (a) The firm or one of its agents will provide, at your request, information and advice on real estate matters that affect your transaction, unless you release the firm from this duty.
- 222 (b) The firm or one of its agents must provide you with all material facts affecting the transaction, not just Adverse 223 Facts.
- 224 (c) The firm and its agents will fulfill the firm's obligations under the agency agreement and fulfill your lawful requests
 225 that are within the scope of the agency agreement.
- 226 (d) The firm and its agents will negotiate for you, unless you release them from this duty.
- 227 (e) The firm and its agents will not place their interests ahead of your interests. The firm and its agents will not, unless required by law, give information or advice to other parties who are not the firm's clients, if giving the information or advice is contrary to your interests.
- 230 If you become involved in a transaction in which another party is also the firm's client (a "multiple representation 231 relationship"), different duties may apply.

MULTIPLE REPRESENTATION RELATIONSHIPS AND DESIG NATED AGENCY

- A multiple representation relationship exists if a firm has an agency agreement with more than one client who is a party in the same transaction. If you and the firm's other clients in the transaction consent, the firm may provide services through designated agency, which is one type of multiple representation relationship.
- Designated agency means that different agents with the firm will negotiate on behalf of you and the other client or clients in the transaction, and the firm's duties to you as a client will remain the same. Each agent will provide information, opinions, and advice to the client for whom the agent is negotiating, to assist the client in the negotiations. Each client will be able to receive information, opinions, and advice that will assist the client, even if the information, opinions, or advice gives the client advantages in the negotiations over the firm's other clients. An agent will not reveal any of your confidential information to another party unless required to do so by law.
 - If a designated agency relationship is not authorized by you or other clients in the transaction you may still authorized or reject a different type of multiple representation relationship in which the firm may provide brokerage services to more than one client in a transaction but neither the firm nor any of its agents may assist any client with information, opinions, and advice which may favor the interests of one client over any other client. Under this neutral approach, the same agent may represent more than one client in a transaction.
- 47 If you do not consent to a multiple representation relationship the firm will not be allowed to provide brokerage 48 services to more than one client in the transaction.

249	CHECK ONLY ONE OF THE THREE BELOW:
250	X The same firm may represent me and the other party as long as the same agent is no
251	representing us both (multiple representation relationship with designated agency).
252 253 254	The same firm may represent me and the other party, but the firm must remain neutra regardless if one or more different agents are involved (multiple representation relationship without designated agency).
255 256	The same firm cannot represent both me and the other party in the same transaction (I reject multiple representation relationships).

NOTE: All clients who are parties to this agency agreement consent to the selection checked above. You may modify this selection by written notice to the firm at any time. Your firm is required to disclose to you in your agency agreement the commission or fees that you may owe to your firm. If you have any questions about the commission or fees that you may owe based upon the type of agency relationship you select with your firm, you should ask your firm before signing the agency agreement.

SUBAGENCY

Your firm may, with your authorization in the agency agreement, engage other firms (subagent firms) to assist your firm by providing brokerage services for your benefit. A subagent firm and the agents with the subagent firm will not put their own interests ahead of your interests. A subagent firm will not, unless required by law, provide advice or opinions to other parties if doing so is contrary to your interests.

PLEASE REVIEW THIS INFORMATION CAREFULLY. An agent can answer your questions about brokerage services, but if you need legal advice, tax advice, or a professional home inspection, contact an attorney, tax advisor, or home inspector.

■ CONFIDENTIALITY NOTICE TO CLIENTS: Manager and its agents will keep confidential any information given to Manager or its agents in confidence, or any information obtained by Manager and its agents that a reasonable person would want to be kept confidential, unless the information must be disclosed by law or you authorize Manager to disclose particular information. Manager and its agents shall continue to keep the information confidential after Manager is no longer providing brokerage services to you.

The following information is required to be disclosed by law:

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- Material Adverse Facts, as defined in Wis. Stat. § 452.01(5g) (see lines 191-194).
- 2) Any facts known by Manager and its agents that contradict any information included in a written inspection report on the property or real estate that is the subject of the transaction.

To ensure that Manager and its agents are aware of what specific information you consider confidential, you may list that information below (see lines 282-284). At a later time, you may also provide Manager with other information you consider to be confidential.

281	consider to be confidential.	
282	CONFIDENTIAL INFORMATION:	
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285	NON-CONFIDENTIAL INFORMATION (The following may be disclosed by Manager and its agents):	
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LEAD-BASED PAINT PROVISIONS If Property includes "target housing" (pre-1978 residential dwelling units) Owner shall be responsible for identification and elimination of lead-based paint ("LBP") hazards and compliance with all

Owner discloses known LBP, (c) ensure that Owner provides available LBP reports, the EPA's "Protect Your Family 291 From Lead in Your Home" pamphlet, and the required warning language to tenants, and (d) obtain required signatures 292 and the tenants' written acknowledgments. NOTICE ABOUT SEX OFFENDER REGISTRY You may obtain information about the sex offender registry and 294 persons registered with that registry by contacting the Wisconsin Department of Corrections on the Internet at 295 http://www.doc.wi.gov or by telephone at (608)240-5830. 296 ADDITIONAL PROVISIONS *** Manager will use contractors approved by the City of LaCrosse 297 to complete maintenance and repairs. Manager will disburse any funds due to the Owner upon request. 299 300 301 302 303 ADDENDA Any attached schedule of units, tenant screening standards, rental standards and criteria, detailed 304 schedule of repair and maintenance responsibilities and _ 305 306 are made part of this Agreement. TERM The term of this Agreement shall be: July 1st 2020 until January 1st 2021 307 Automatic Renewal of One-Year Term. This Agreement shall be automatically renewed each year on an ongoing 308 basis for additional one-year terms unless Owner or Manager delivers a written termination notice to the other at least 309 30 days before the original or renewal expiration date. CAUTION: If Signed, This Agreement Can Create a Legally Enforceable Contract. Real Estate Brokers May Provide a General Explanation of The Provisions of This Agreement or Other Contracts But Are Prohibited By Law From Giving Advice or Opinions Concerning the Owner's Legal Rights Under this Agreement or Any Other Contract. An Attorney Should Be Consulted If Legal Advice Is Needed. All persons signing below on behalf of an Owner Entity represent that they have proper legal authority to sign for and bind that Entity. Owner Entity Name (if any): City Of LaCrosse 318 Authorized Signature ▲ Print Name & Title Here ▶ Andrea Trane Date A 320 Authorized Signature ▲ Print Name & Title Here ▶ Date A 321 Owner Entity Name (if any): _____ 323 Authorized Signature ▲ Print Name & Title Here ▶ Date A 325 Individual Owner's Signature ▲ Print Name Here ▶ Date A Manager Entity Name (if any): BMA Property Management 327 328 Authorized Signature ▲ Print Name & Title Here ▶ Date A 329 330 (x) Individual Manager's Signature ▲ Print Name Here ▶ Date A 331 Copyright © 2018 by Wisconsin REALTORS® Association, Inc. Drafted by Attorney Debra Peterson Conrad No representation is made as to the legal validity of any provision or the adequacy of any provision in any specific transaction.

applicable LBP laws. Manager shall (a) advise Owner of Owner's obligations under the LBP laws, (b) ensure that