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PROPERTY MANAGEMENT AGREEMENT

THIS AGREEMENT, made and entered into this 12th day of August, 1991, between Phil Rothrock (hereinafter called the owner) and Reliance Property Management (hereinafter called the agent); WITNESSETH:

FIRST: The owner hereby employs the agent to rent, manage and direct the operation of the owner's property described in Exhibit "A" on the reverse side of the final page of this agreement, said exhibit being made a part hereof, for a term of One Year beginning on the 12th day of August, 1991, and ending on the 11th day of August, 1992; thereafter this agreement shall continue until terminated as herein provided. Either party hereto may terminate said employment effective on the last day of the original term of said employment stated above, or effective on the last day of any month thereafter, by delivering to the other by registered mail not less than thirty days written notice of his intention and wish to terminate said employment.

SECOND: The agent accepts said employment and agrees:

1. To use agent's best skill and efforts to serve present tenants and to obtain suitable new tenants for vacancies in said premises, to furnish all services required therefor and for the management of said premises and to supervise all labor required for their operation and maintenance;
2. To report to the owner promptly any conditions at, on or about the premises which, in the opinion of the agent, require the attention of the owner;
3. To keep full, detailed and adequate accounts and records maintained in a client ledger with reference to agent's receipts from and disbursements with reference to the owner's said property and to permit the owner and/or owner's representatives to examine the same at any time during business hours;
4. To cause all of the agent's employees who handle or are responsible for the rents and revenues from said premises to be bonded at agent's expense;
5. Not to commingle any of the receipts or revenues from said premises with agent's own funds, but to deposit same in a client's trust account in agent's own name in a bank or banks approved by the owner; as between the parties hereto, all such receipts and revenues shall be deemed to be trust funds held in trust for the owner and for the owner's account, to be disbursed as hereinafter set forth;
6. To deliver to the owner, on or before the 25 day of each month hereafter, a detailed written statement of owner's receipts, expenses and disbursements during the preceding month. All said expense shall be charged to the owner at agent's cost and the owner shall be credited with all rebates, refunds, allowances, commissions and discounts paid to the agent. Settlements between the owner and the agent shall be made at the following times:

Monthly

7.

THIRD: The owner hereby gives to the agent the following authority and powers:

1. To take sole, entire and exclusive charge of said premises;
2. To offer said premises, and parts thereof for rent; to display "For Rent" signs thereon and to rent the same; and in the name of the owner to negotiate leases on said premises, or any part thereof, together with renewals of the same;
3. To bill tenants for rents in the name of the agent; to collect all rents due or to become due from said premises; to give receipts therefore; to deposit rents in the agent's client trust account. It is expressly agreed that the agent does not guarantee either the collection of rents or the accuracy of volume-of-sales, volume-of-receipts

or other reports made by tenants on percentage leases, if any; however, the agent may recommend to the owner from time to time that such accuracy be determined by an audit of the tenant's books;

4. In the name of the owner, to sign and serve such notices to delinquent tenants as the agent may deem necessary or proper and, with the owner's prior approval and in the owner's name, (a) to sue for and to recover any of said rents which are past due; (b) to attach, garnishee and levy upon the property of any delinquent tenant and to recover possession of any part of said premises therefrom, and (c) to settle, compromise and adjust such actions, suits or proceedings and the matters involved therein;

5. To employ, pay, direct and discharge all employees deemed by the agent necessary for the operation and maintenance of said premises; all such employees conclusively shall be and deemed to be for all purposes the employees of the owner and not employees of the agent and the agent shall not be responsible for any of their acts, defaults or negligence or for any error of judgment or mistake of law or of fact in connection with their employment, conduct or discharge;

6. To make or cause to be made all repairs and alterations; to do all decorating and to purchase all materials deemed necessary by the agent for the maintenance of said premises; to purchase all fuel, supplies, furniture, fixtures and equipment deemed necessary by the agent for the operation of said premises; provided always, that the agent shall obtain the owner's prior approval on all expenditures in excess of \$300.00..... for any one item except monthly or recurring operating charges and except emergency repairs if the agent deems such repairs necessary to protect the property from damage;

7. To make contracts in the name of the owner for public utilities, elevator maintenance, window cleaning, rubbish and garbage disposal, towel service and other services, or such of them as the agent shall deem advisable; the owner agrees to assume the obligation of any such contracts which are still in effect at the termination of this agreement;

8. To pay out of the client's trust account established pursuant to the provisions of the "SECOND" paragraph of this agreement all expenses connected with the management, operation and maintenance of said premises, as authorized herein, including the agent's commissions and compensation as provided for in the "FOURTH" paragraph of this agreement;

9. To pay out of the client's trust account the following items in addition to the expenses of normal operation:.....

None.....

10.

FOURTH: The owner agrees:

1. To pay to the agent each month for management and operation%6 of the gross
monthly receipts.....;

2. To pay to the agent, in addition to the foregoing, a commission for procuring new tenants in said premises on a month-to-month basis\$50.00 per re-rent of the apartments and \$100.00
per re-rent of the houses.....;
for procuring new tenants on a lease basis.....;

for procuring a renewal to any lease now or hereafter existing

3. To save the agent harmless from all claims, actions and judgments for damages on account of injuries to persons or property suffered or claimed to have been suffered by any employee or other person whomsoever in, on or about said premises and to defend against the same; to carry and keep in effect at all times, at owner's expense, public liability and workers' compensation insurance fully adequate to protect the interests of the parties hereto; and to cause all policies providing such insurance to be so written as to protect the agent in the same manner and to the same extent as they protect the owner; a certificates of coverage is to be provided to the agent;

4. On any termination of this agreement, the owner further agrees to recognize the agent as the broker in any negotiations then pending for the leasing, including lease renewal, or renting of said premises, or any part thereof, and in the event of the subsequent consummation of any such lease, lease renewal or rental, to pay the agent's commission thereon at the rates set forth above.

FIFTH: Both the owner and the agent agree:

1. Unless otherwise authorized by a separate power of attorney or other written instrument, the agent shall have no power to execute leases or to modify or cancel any existing lease;

2. All inquiries for space in said premises, or part thereof, shall be referred to the agent and all persons making said inquiries shall be instructed to deal with and through the agent; all renewals of existing or future leases shall be made solely by and through the agent;

3. The owner hereby designates Reliance Property Management as owner's representative to whom all notices, statements and remittances to the owner shall or may be submitted, with whom agent may deal and from whom agent may accept instructions and directives relative to said premises and relative to subparagraph 6 of the "THIRD" paragraph of this contract; the owner reserves the right to change the owner's designated representative at any time by giving written notice thereof to the agent;

4. This agreement shall not be capable of assignment;

5. The provisions hereof shall bind not only the immediate parties hereto but their respective heirs, executors, administrators and successors and, so far as the terms hereof permit assignment, the assigns of the parties as well;

6. In construing this agreement, it is understood that the owner or the agent may be more than one person and that either or both may be a corporation; and that generally, all grammatical changes shall be made, assumed and implied to make the provisions hereof apply equally to corporations and to more than one individual.

7.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals in duplicate on this, the day and year first above written.

Philip M. Rothrock

Owner

Arnold Berger

Reliance Property Mgmt.

Agent

Harry B. B. B., Broker

EXHIBIT "A"

The description of the properties covered by the foregoing agreement is:

Name of Building

Address 2515 N.E. 9th Portland, Oregon 97212 #1-#13
(City - State - Zip)

Legal Description

(If space is not sufficient, attach separate sheet)

Name of Building

Address 7203 N. Denver Portland, Oregon 97217
(City - State - Zip)

Legal Description

(If space is not sufficient, attach separate sheet)

Name of Building

Address 7632 N. McKenna Portland, Oregon 97203
(City - State - Zip)

Legal Description

(If space is not sufficient, attach separate sheet)

Name of Building

Address 9015 N. New York Portland, Oregon 97203
(City - State - Zip)

Legal Description

(If space is not sufficient, attach separate sheet)

EXHIBIT "A"

The description of the properties covered by the foregoing agreement is:

Name of Building

Address 5827 N.E. Prescott Portland, Oregon 97218
(City - State - Zip)

Legal Description

(If space is not sufficient, attach separate sheet)

Name of Building

Address 9016 N. St Louis Portland, Oregon 97203
(City - State - Zip)

Legal Description

(If space is not sufficient, attach separate sheet)

Name of Building

Address 1820 N Killingsworth, Portland 97217 Apts. 1-13
(City - State - Zip)

Legal Description

(If space is not sufficient, attach separate sheet)

Name of Building

Address
(City - State - Zip)

Legal Description

(If space is not sufficient, attach separate sheet)