



City Council Staff Report

REPORT DATE: February 13, 2020

MEETING DATE: February 22, 2020

SUBJECT	Long-Term Rental Property Management Agreement with Teton Valley Property Management for Depot Apartments
ITEM TYPE	<input type="checkbox"/> Public Hearing <input type="checkbox"/> Work Session <input checked="" type="checkbox"/> Action Item
PRESENTER	Olivia Goodale, City Administrator

APPLICABLE VICTOR VALUES

- | | | |
|--|--|---|
| <input type="checkbox"/> Culturally Historic | <input type="checkbox"/> Sustainable | <input type="checkbox"/> Connected to Nature |
| <input type="checkbox"/> Small Town Feel | <input type="checkbox"/> Family Friendly | <input checked="" type="checkbox"/> Administrative Need |

PURPOSE & PROCESS

The purpose of this item is for Council to consider a Long-Term Rental Property Management Agreement with Teton Valley Property Management for Depot Apartments.

Next Steps: After approval, the agreement will be executed.

BACKGROUND/ALTERNATIVES

The City owns the Depot area which consists of the pavilion and public bathrooms, a public transit stop, and the Depot building which has five private long terms rental apartments in it. Since 2014, Teton Valley Realty Management has served as property manager of the Depot apartments. Teton Valley Realty Management has changed its name to Teton Valley Property Management. The name change requires an agreement amendment. However, upon further investigation it appears that the original agreement was never executed. As such, we are bringing forward a new agreement for Council approval with Teton Valley Property Management so that have a complete record going forward. The material provisions of the new agreement match the previous agreement that was in practice but not executed.

There are several options for Council to consider in proceeding:

- Approve the item as presented or amended
- Other

ATTACHMENTS

Agreement

FISCAL IMPACT

Fiscal impact is neutral.

STAFF IMPACT

Staff impact is minimal.

LEGAL REVIEW

Complete

RECOMMENDATION

Staff recommends approving the agreement as presented.

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SUGGESTED MOTION

I move to approve the Long-Term Rental Property Management Agreement with Teton Valley Property Management for Depot Apartments, subject to minor changes approved by the City Attorney.

[Roll call vote]



**LONG-TERM RENTAL PROPERTY
MANAGEMENT AGREEMENT**

For:

City of Victor, ID

Phone: 208.787.2940

Email: oliviag@victorcityidaho.com

**Teton Valley Property Management, Inc.
253 South Main
Driggs, Idaho 83422
(208) 354-3431**

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RENTAL PROPERTY MANAGEMENT AGREEMENT

THIS RENTAL PROPERTY MANAGEMENT AGREEMENT (this “Agreement”) is entered into effective as of the latest date of execution by Teton Valley Property Management, Inc. (“Manager”) and the undersigned rental property owner (“Owner”).

In consideration of the mutual covenants herein contained, the parties agree:

SECTION 1. OWNERSHIP AND EXCLUSIVE APPOINTMENT

1.1 Ownership of Premises. Owner hereby covenants, represents and warrants that Owner owns the property described on Exhibit A attached hereto and made a part of this Agreement by this reference (the “Premises”). Owner represents that Owner has authority to enter into and sign this Agreement, that upon the execution and delivery of this Agreement this Agreement shall be binding on and fully enforceable against Owner, and that the execution and delivery of this Agreement shall not violate, breach or cause a default under any other agreement, contract or lease to which the Premises are subject or Owner is bound. Except as otherwise provided on Exhibit A, during the term of this Agreement Owner shall make the Premises available for rental by Manager and Owner shall not interfere with the quiet enjoyment of any tenant who rents the Premises. Owner shall list on Exhibit A any parking restrictions pertaining to the Premises. If Owner does not make the Premises available to a tenant during the contracted rental period due to construction at the Premises, sale of the Premises, or any other reason whatsoever, Owner shall be liable and pay for any and all costs and expenses incurred to accommodate the tenant.

1.2 Appointment of Manager. Owner hereby appoints Manager as sole and exclusive Manager for the purposes of managing and renting the Premises pursuant to the terms and conditions of this Agreement. Manager accepts the appointment and agrees to furnish the management services described herein. Owner agrees to pay all expenses incurred by Manager in connection with such services (the “Management Expenses”). Manager agrees to rent the Premises subject to the rental instructions set forth on Exhibit A attached hereto and incorporated by this reference in this Agreement.

SECTION 2. TERM OF AGREEMENT

The term of this Agreement shall be for an initial period of one year (the “Initial Term”), commencing on the date specified on Exhibit A as the commencement date (the “Commencement Date”) and thereafter shall be automatically renewed from year to year unless either party gives the other party written notice of its decision not to renew this Agreement at least thirty (30) days prior to the end of the then applicable term.

SECTION 3. MANAGER'S COMPENSATION

Owner agrees to pay to Manager as compensation for the services performed hereunder a monthly management fee equal to a flat 10% of gross rental revenue for the month (the "Management Fee"):

"Gross rental revenue" means all rents, charges and fees paid by tenants relating to or in connection with the rental of the Premises, including without limitation all such amounts payable under applicable lease or rental agreements. Owner hereby authorizes Manager to deduct all Management Fees and all Management Expenses from gross rental revenue collected by Manager. The initial administration fee and all Management Fees and Management Expenses are nonrefundable.

SECTION 4. MANAGER'S BANK ACCOUNT

Manager shall deposit rents into Manager / Broker's Rental Escrow Accounts, and Security Deposits shall be held in Manager / Broker's Security Deposit Escrow Account. These Accounts shall be deposited with Key Bank, a depository recognized by the State of Idaho. The Long-Term Rental Escrow Account and Security Deposit Escrow Accounts are non-interest bearing. Any interest earned shall be retained by Manager.

SECTION 5. COLLECTION OF RENTS AND OTHER RECEIPTS

5.1 Manager's Authority. Manager shall collect (and give receipts for, if necessary) all rents, security deposits, charges, fees and other amounts paid by tenant(s) in connection with the rental of the Premises. Such receipts shall be deposited in Manager's bank account as set forth in Section 4.

5.2 Special Charges. If permitted by applicable law, Owner may direct Manager, and Manager may solely elect to collect from tenants any or all of the following: an administrative charge for late payment of rent, a charge for returned or nonnegotiable checks, a credit report fee, background and/or reference check fees, a pet fee, an administration fee and/or other appropriate fees as reasonably determined by the Manager. Late fees shall be shared equally between manager and owner. Late fees shall be assessed at Manager's election.

5.3 Security Deposits. Manager shall collect, deposit, and disburse security deposits, if any, in accordance with the terms of each tenant's lease. Manager shall comply with applicable state and local laws concerning a landlord's responsibility for security deposits.

SECTION 6. MANAGER'S AUTHORITY TO DISBURSE FUNDS

6.1 Expenses and Fees. Owner hereby authorizes Manager to deduct from the gross rental revenue, and to pay or reimburse itself therefrom, all Management Fees and all Management Expenses, including with respect to long-term rentals costs and expenses of cleaning the Premises. Owner shall pay directly all costs and expenses of maintaining and repairing the

Premises, unless Owner and Manager agree to direct Manager to pay expenses from Owner's rental proceeds. Management Expenses shall include, and Owner shall be obligated to pay, all costs and expenses incurred by Manager relating to Owner's inability to deliver the Premises on the date specified in any lease agreement pertaining thereto signed by Manager on behalf of Owner.

6.2 Net Proceeds. Manager shall pay to Owner, after payment of all Management Fees, Management Expenses, taxes and other applicable fees and charges, the balance of the gross rental revenue monthly within fifteen (15) days after the end of each calendar month or as otherwise provided herein. The balance of the gross rental revenue shall be deposited in a bank account designated by Owner or paid by check mailed to Owner.

SECTION 7. FINANCIAL AND OTHER REPORTS

7.1 Monthly Reports. By the fifteenth (15th) day of each month, Manager shall furnish Owner with a statement of gross rental revenue and disbursements, including Management Fees, Management Expenses, taxes and other applicable fees and charges, and payments to Owner with regard to the Premises for the previous month.

7.2 Record Keeping. Manager shall keep full, detailed and adequate accounts and records of gross rental revenue, security deposits and disbursements with regards to the Premises. Such accounts and records shall be open to inspection by Owner or its representatives during normal business hours at the principal office of Manager. All original records and documents created by Manager shall remain the property of Manager and upon the expiration of this Agreement shall be retained by Manager for a period of time as set forth by applicable state law or, at Manager's option, shall be delivered, in whole or in part, to Owner.

7.3 Owner's Right to Audit. Owner shall have the right, at Owner's sole cost and expense, to audit Manager's accounts and records applicable to Owner or the Premises.

7.4 Owner to Furnish Documents. Upon execution of this Agreement and thereafter upon request, Owner shall promptly furnish to Manager all documents and records necessary for Manager to properly manage and rent the Premises; provided, however, that unless Owner otherwise directs in writing, Manager shall use its forms of lease agreements in connection with the rental of the Premises.

SECTION 8. ADVERTISING

Manager is authorized to advertise the Premises for rental through websites or other methods or practices selected by Manager in its sole discretion. Should Owner direct, and Manager agree, to market and advertise the Premises for rental through any additional or other marketing or advertising methods or practices, including without limitation newspapers, radio stations, websites, periodicals, signs, brochures, or displays, or any other means, all costs and expenses of such marketing or advertising shall constitute Management Expenses reimbursable to Manager out of gross rental revenue or otherwise shall be payable by Owner to Manager upon

Manager's demand. Manager is authorized to place signs on the Premises to advertise the Premises for rent, provided such signs comply with applicable laws.

SECTION 9. RENTAL OF PREMISES

9.1 Manager's Authority to Rent Premises. Manager shall use reasonable efforts to keep the Premises rented by procuring tenants for the Premises. Manager is authorized to negotiate, prepare, and execute, on behalf of Owner, all lease agreements, including all renewals and extensions of lease agreements and to cancel and modify existing lease agreements. All costs and expenses of renting the Premises shall constitute Management Expenses reimbursable to Manager out of gross rental revenue or otherwise shall be payable by Owner to Manager on Manager's demand. No lease or rental agreement shall be in excess of twelve (12) months without the prior written approval of Owner. Owner agrees that Manager may use Manager's forms of lease agreements in connection with the rental of the Premises. Owner agrees to promptly forward all inquiries about leasing or rental of the Premises to Manager.

9.2 No Other Rental Manager. During the term of this Agreement, Owner shall not authorize any other person or entity to act as a leasing or rental agent or manager with respect to the Premises.

9.3 Rental Rates. The initial approved rental rates, security deposits for long-term rentals, fees and other charges for the Premises shall be set forth on Exhibit A by Owner. Manager is authorized to change or revise all rents, security deposits, fees and/or other charges with respect to the Premises, after written approval by Owner. Any significant promotional rental rate offered will be subject to prior approval by Owner.

9.4 Enforcement of Leases Agreements. Manager is authorized to institute, in Owner's name, all legal actions or proceedings to enforce any lease agreement, to collect rents, fees and other charges from the rental of the Premises, and/or to evict or dispossess any tenant or other person from the Premises. Manager is authorized to execute and serve such notices, as Manager deems necessary for lease agreement enforcement, including the collection of rents, fees and other charges. Manager is authorized, when expedient, to settle, compromise and release such legal actions or suits or reinstate such tenancies. Any monies to be paid for such settlements shall require written approval of Owner. Attorneys' fees, filing fees, court costs and other necessary expenses incurred in connection with such actions and not recovered from tenants shall be reimbursed directly to Manager by Owner or, at Manager's election, may be reimbursed to Manager out of gross rental revenue. Manager may select the attorney of its choice to represent Owner in such litigation. Manager will engage the Victor City Attorney for any such legal action.

SECTION 10. MAINTENANCE AND REPAIR

All repairs and maintenance of the Premises, including without limitation obligations of Owner described in Exhibit A, shall be the responsibility of Owner and at Owner's expense, except as otherwise agreed in writing by Manager. Unless otherwise agreed by Owner and Manager, Owner shall arrange and pay directly all costs and expenses of snow removal, lawn

care, property maintenance and repair, and utility services. Manager shall be under no obligation to advance any funds to pay for any such items nor shall Manager be liable or responsible for any damage to the Premises due to any failure in the performance or discontinuance in the provision of any such items.

SECTION 11. INDEPENDENT CONTRACTOR

Manager is an independent contractor and not an employee of Owner for any purpose.

SECTION 12. INDEMNITY

Owner shall indemnify, defend, hold and save Manager and its shareholders, directors, officers, employees and agents, and each of them, harmless from any and all losses, damages, costs, expenses (including attorneys' fees), liabilities, fines, penalties, demands, charges, suits, actions, and claims, whether for personal injury, property damage or otherwise (collectively, "Claims"), incurred or occurring by reason of Owner's negligence relating to this Agreement or Manager's performance hereunder, or Manager's acting upon the direction of Owner; provided, however, that to the extent not covered by insurance carried by Owner, Owner shall have no obligation of indemnity to, Manager, and Manager shall indemnify and hold harmless Owner, from, any damage to the Premises caused by Manager's negligence or intentional wrongful act. It is expressly agreed that this Section 12 shall survive the termination of this Agreement. To the extent Section 15 is inconsistent with this Section 12, Section 15 shall control.

Furthermore, Owner is responsible for compliance with all federal, state, local, and zoning related laws, including the legality of any limitations on the length or term of the lease. Manager has no responsibility to or obligation to research the legality of a lease within a certain subdivision, municipality, locale, area, or development. Owner is responsible for all penalties for any non-compliance with laws or subdivision CC&R's.

SECTION 13. LIABILITY INSURANCE

On the execution of this Agreement, Owner will review existing insurance coverages with Owner's insurance broker to determine adequacy of coverage. Responsibility for insurance pertaining to the Premises shall be entirely borne by Owner, unless otherwise agreed separately in writing signed by Owner and Manager. Owner shall obtain and keep in force adequate insurance against physical damage (e.g. fire with extended coverage endorsement, boiler and machinery, etc.) and against liability, for loss, damage, or injury to property or persons that might arise out of the occupancy, management, leasing, repair, operation, or maintenance of the Premises. The amounts and types of insurance shall be acceptable to both Owner and Manager, and any deductible required under such insurance policies shall be Owner's expense. Manager shall be named as an additional insured on all liability insurance maintained with respect to the Premises. Liability insurance shall be adequate to protect the interests of both Owner and Manager and in form, substance, and amounts reasonably satisfactory to Manager, but in no event less than \$500,000.00 per occurrence and in the aggregate. Owner agrees to furnish Manager with certificates evidencing such insurance or with duplicate copies of such policies within ten (10) days after the execution of this Agreement. If Owner fails to do so, Manager may,

but shall not be obligated to, place such insurance and deduct the cost thereof from gross rental revenue or demand payment directly from Owner. Said policies shall provide that notice of default or cancellation shall be sent to Manager as well as Owner and shall require a minimum of thirty (30) days' written notice before early cancellation of or any changes in the policies. Manager is hereby authorized to make such application and request to the insurer to have Manager listed as an additional insured.

In the event the property owner carries insurance coverage for "business income", and a claim is triggered, Teton Valley Property Management, Inc. is entitled to lost commissions **if the policy specifies as such.**

SECTION 14. MANAGER ASSUMES NO LIABILITY

Manager assumes no liability, and shall not be liable, whatsoever for any acts or omissions of Owner, or any previous owners of the Premises, or any previous management or other agent of either. Manager assumes no liability for any failure of or default by any tenant in the payment of any rents, fees or other charges due Owner or in the performance of any obligations owed by any tenant to Owner pursuant to any lease agreement or otherwise. Manager assumes no liability, and shall not be liable, for violations of environmental laws or regulations or other laws and regulations that may occur or become known during the term of this Agreement. Any environmental hazard or other regulatory violation discovered by Manager shall be brought to the attention of Owner, and Owner shall be responsible to cure the same at Owner's expense. Manager assumes no liability, and shall not be liable, for any injury to person or damage to property, relating to or arising from swimming in ponds, use of fire pits or use of hot tubs by Owner, any tenant or any guest or invitee of either.

SECTION 15. OWNER RESPONSIBILITY FOR ALL EXPENSES OF LITIGATION

15.1 Expenses Incurred by Manager. Owner shall pay all expenses incurred by Manager, including, but not limited to, reasonable attorneys' fees and Manager's costs and time, and any liabilities, fines, penalties or the like, relating to any claim, proceeding, or suit involving an alleged violation by Owner or the Premises, of any law pertaining to fair employment, fair credit reporting, environmental protection, rent control, taxes, or fair housing, including, but not limited to, any law prohibiting or making illegal discrimination on the basis of race, sex, creed, color, religion, national origin, or mental or physical handicap; provided, however, that Owner shall not be responsible to Manager for any such expenses in the event Manager has violated any such law through negligence or intentional wrongful act. Nothing contained in this Agreement shall obligate Manager to employ legal counsel to represent Owner in any such proceeding or suit.

~~**15.2 Fees for Legal Advice.** Owner shall pay reasonable legal expenses incurred by Manager in obtaining legal advice regarding compliance with any law affecting the Premises or activities related thereto.~~ N/A

SECTION 16. MANAGER'S COMPENSATION FOR ADDITIONAL SERVICES

When requested by Owner to perform additional services not customarily part of the duties of Manager under this Agreement, Owner agrees to compensate Manager at a fixed, hourly or percentage rate which will be agreed upon in writing signed by Owner and Manager prior to the commencement of such additional services.

SECTION 17. REPRESENTATIONS

Owner represents and warrants: That Owner has full power and authority to enter this Agreement; that there are no written or oral agreements affecting the Premises; that there are no recorded easements, restrictions, reservations, or rights of way which adversely affect the use of the Premises for the purposes intended contemplated by this Agreement; that to the best of Owner's knowledge, the Premises are zoned for the use contemplated by this Agreement; that all licenses and permits necessary for the rental of the Premises have been secured and are current; that neither the Premises nor the rental of the Premises violates any applicable statutes, laws, building codes, ordinances, rules, regulations or orders applicable to the Premises; that the Premises do not contain any asbestos, urea, formaldehyde, radon, or other toxic or hazardous substance; and that no unsafe condition exists on, at or within the Premises. If the Premises were built before 1978, Owner shall complete and deliver to Manager upon Owner's execution of this Agreement a lead paint disclosure form in compliance with applicable law to be maintained in Manager's file and to be delivered to prospective tenants of the Premises.

SECTION 18. COMPLIANCE WITH APPLICABLE LAWS

Manager does not assume and has no responsibility for compliance of the Premises with the requirements of any statutes, laws, building codes, ordinances, regulations or orders of any governmental body, any public authority or any official thereof having jurisdiction, except to notify Owner promptly or forward to Owner promptly any complaints, warnings, notices, or summonses received by Manager relating to such matters. Owner authorizes Manager to disclose the ownership of the Premises to any such officials and agrees to indemnify, defend and hold Manager, its shareholders, directors, officers, employees and agents, harmless from and against any and all damages, actions, charges, demands, fines, penalties, fees, losses, costs, expenses and liabilities whatsoever including, without limitation, attorneys' fees, which may be imposed against or suffered or incurred by any of them by reason of any existing or future violation or alleged violation of any statutes, laws, building codes, ordinances, regulations or orders applicable to the Premises or Owner.

SECTION 19. AGREEMENT BINDING UPON SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon the parties hereto and their respective personal representatives, heirs, administrators, executors, successors and assigns. Neither party shall have the right to assign this Agreement without the consent of the other party.

SECTION 20. NO PROPERTY INTEREST CREATED

Nothing contained in this Agreement shall be deemed to create or shall be construed as creating in Manager any property interest in or to the Premises.

SECTION 21. GENERAL AUTHORITY OF MANAGER

Manager shall have such other general authority and power as may be necessary or advisable to carry out the purposes of this Agreement.

SECTION 22. TAXES TO BE PAID BY OWNER

Owner shall pay all real property and other taxes and assessments levied on the Premises, and Manager shall have no responsibility for paying any such taxes or assessments.

SECTION 23. NO RESPONSIBILITY FOR SECURITY

Manager shall have no obligation, responsibility or liability with respect to the security at the Premises, or any common areas relating thereto. Owner shall be responsible for whatever security measures or devices Owner deems necessary or advisable with respect to the Premises, including the installation and costs thereof.

SECTION 24. CONTRACTING FOR SERVICES

Except as otherwise provided in a then existing rental or lease agreement, Owner shall have the duty and responsibility to contract and pay for electricity, gas, propane, water, garbage, sewer, telephone, cable, internet and other utility services as shall be necessary or advisable for the Premises. The rental or lease agreement used for long-term rentals of the Premises may provide for the Tenant to contract and/or pay for all or some utilities. Manager shall have no obligation to contract or pay for any such services.

SECTION 25. TERMINATION

25.1 Termination for Cause. This Agreement may be terminated immediately upon written notice and all obligations of the parties hereunder shall cease (except as to liabilities or obligations which have accrued or arisen prior to such termination) upon the occurrence of any of the following events:

(a) Either party may terminate this Agreement if the other party materially breaches this Agreement and (i) such breach is not corrected within fifteen (15) calendar days after the receipt of notice from the other party that specifies in detail the material breach; or (ii) if such breach is of a nature that it cannot be corrected within said fifteen (15) calendar day period, reasonable efforts to correct such breach are not commenced within such fifteen (15) calendar day period and thereafter diligently pursued to completion. The breach of any obligation of either party hereunder to pay any monies to the other party under the terms of this Agreement shall be deemed to be correctable within fifteen (15) calendar days.

(b) Manager may terminate this Agreement if any insurance required of Owner is not maintained without any lapse, or it is alleged or charged that the Premises or any act or failure to

act by Owner, fails to comply with any statute, law, building code, ordinance, regulation or order applicable thereto.

(c) Manager may terminate this Agreement, if Owner offers the Premises for sale or enters into an agreement to sell the Premises.

(d) The destruction of all or a substantial portion of the Premises by any cause, or the taking of all or a substantial portion of the Premises by eminent domain, in either case making it impossible or impracticable for the Premises to be rented.

25.2 Termination Compensation. If (i) Owner terminates this Agreement before the end of the Initial Term for any reason other than for a material breach by Manager that Manager does not correct as provided in paragraph 25.1(a) above or (ii) Manager terminates this Agreement before the end of the Initial Term pursuant to paragraph 25.1(a), 25.1(b) or 25.1(c) above, then Owner shall pay to Manager on or before the effective date of termination a termination fee equal to the total Management Fee payable during the remainder of the then applicable term of this Agreement based on then existing lease and rental agreements. Such termination fee, plus all other amounts accruing to Manager prior to such termination, shall be due and payable upon termination of this Agreement. To the extent that funds are available, such sums shall be payable from gross rental revenue. Owner shall pay to Manager upon demand any amount due in excess of the funds available from gross rental revenue.

25.3 Owner Responsible for Payments. Upon termination of this Agreement, Owner shall continue to be obligated under any and all contracts executed by Manager pursuant to this Agreement for and on behalf of Owner and responsible to pay all unpaid bills. Manager may withhold funds from gross rental revenue from the Premises for ninety (90) days after the end of the month in which this Agreement is terminated, in order to pay bills previously incurred but not yet invoiced, including without limitation Management Expenses, and to close accounts. Manager shall deliver to Owner, within ninety (90) days after the end of the month in which this Agreement is terminated, any balance of monies due Owner and any tenant security deposits which were held by Manager with respect to the Premises, as well as a final accounting reflecting the balance of gross rental revenue and expenses deducted therefrom.

25.4 Survival of Obligations after Termination. All covenants, representations and warranties of the parties contained herein shall survive the termination of this Agreement. Without limiting the foregoing sentence, all provisions of this Agreement that require Owner to have (i) insured Manager, (ii) indemnify, defend and hold harmless Manager, (iii) pay or reimburse Manager for Management Fees or Management Expenses or (iv) pay or reimburse Manager for attorney's fees and expenses shall survive termination of this Agreement, regardless of the cause or reason. If Manager is or becomes involved in any legal proceeding or litigation by reason of having been the Manager of the Premises, such provisions shall apply as if this Agreement were still in effect.

SECTION 26. HEADINGS

All headings and subheadings employed within this Agreement are for convenience and ease of reference only and are not to be considered in the construction or interpretation of any provision of this Agreement.

SECTION 27. FORCE MAJEURE

Any delays in the performance of any obligation of Manager under this Agreement shall be excused to the extent that such delays are caused by wars, national emergencies, natural disasters, strikes, labor disputes, utility failures, governmental regulations, riots, adverse weather, and other similar causes not within the control of Manager, and any time periods required for performance shall be extended accordingly.

SECTION 28. ENTIRE AGREEMENT AND AMENDMENT

This Agreement, including any specified attachments, constitutes the entire agreement between Owner and Manager with respect to the management and rental of the Premises and supersedes and replaces any and all previous agreements, whether written or oral, between Owner and Manager relating to the Premises. This Agreement may not be amended, modified or changed except in writing signed by Owner and Manager. Each party to this Agreement hereby acknowledges and agrees that the other party has made no warranties, representations, covenants, or agreements, express or implied to such party, other than those expressly set forth herein, and that each party, in entering into and executing this Agreement, has not relied upon any warranties, representations, covenants, or agreements, express or implied, to such party, other than those expressly set forth herein.

SECTION 29. RIGHTS CUMULATIVE AND NO WAIVER

No right or remedy herein conferred upon or reserved to either of the parties to this Agreement is intended to be exclusive of any other right or remedy, and each and every right and remedy shall be cumulative and in addition to any other right or remedy given under this Agreement or now or hereafter legally existing upon the occurrence of an event of default under this Agreement. The failure of either party to this Agreement to insist at any time upon the strict observance or performance of any of the provisions of this Agreement, or to exercise any right or remedy as provided in this Agreement, shall not impair any such right or remedy or be construed as a waiver or relinquishment of such right or remedy with respect to subsequent defaults. Every right and remedy given to the parties by this Agreement may be exercised from time to time and as often as may be deemed expedient by those parties.

SECTION 30. APPLICABLE LAW AND PARTIAL INVALIDITY

This Agreement has been made and entered into in the State of Idaho, and the construction, interpretation, performance and enforcement of this Agreement shall in all respects be controlled and governed by the laws of the state of Idaho. If any provision of this Agreement or any part thereof shall be rendered void invalid or unenforceable for any reason by any court of law exercising competent jurisdiction, such a determination shall not render void, invalid or unenforceable any other provision or part thereof in this Agreement.

SECTION 31. NOTICES

Any notices, demands, consents or reports provided for under this Agreement shall be in writing and shall e-mailed to a known e-mail address or alternatively shall be addressed as follows, or at such other address as Owner or Manager individually may specify hereafter in writing:

Manager: Teton Valley Property Management, Inc.
P.O. Box 366
253 South Main Street
Driggs, Idaho 83422

Owner: Address set forth on Exhibit A

Such notice or other communication may be mailed by United States registered or certified mail, return receipt requested, postage prepaid, and may be deposited in a United States Post Office or a depository for the receipt of mail regularly maintained by the post office. Such notices, demands, consents, and reports may also be delivered by hand or by any other receipted method or means permitted by law. For purposes of this Agreement, notices shall be deemed to have been "given" or "delivered" upon personal delivery thereof or forty-eight (48) hours after having been deposited in the United States mail as provided herein.

SECTION 32. ATTOTNEYS' FEES

Any party to this Agreement who is the prevailing party in any legal proceeding against any other party brought under or with relation to this Agreement or transaction shall be additionally entitled to recover court costs and reasonable attorneys' fees, and all other expenses of litigation including deposition costs, travel and expert witness fees, from the non-prevailing party.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective as of the Commencement Date.

Owner Name: Click here to enter text.

Signature: _____

Title: Click here to enter text.

Owner Name: Click here to enter text.

Signature: _____

Title: Click here to enter text.

Owner Name: Click here to enter text.

Signature: _____

Title: Click here to enter text.

Owner Name: Click here to enter text.

Signature: _____

Title: Click here to enter text.

MANAGER:

TETON VALLEY PROPERTY MANAGEMENT, INC.


Signature:  _____
Title: Owner

EXHIBIT A

Owner Information and Instructions

Owner's Address for Notices:

Street:P.o. Box 122

City:Victor State:ID Zip:83455

Direct Deposit Account:On File.

Direct Deposit Routing:On File.

Social Security or Tax ID # for Tax Reporting:On File.

Owner's Initials

Address of Premises: 70 Depot Way Units 1-5, Victor, ID 83455

Owner's Initials

Commencement Date:7/1/14

Owner's Initials

Initial Term of Rental:Click here to enter text. if left blank this shall be discussed with owner

Initial Rental Rate:Click here to enter text. (if left blank this shall be discussed with owner)

Security Deposit for Long-Term Rental:

Thirty (30) nights' rent unless otherwise specified here: \$Click here to enter text.

Owner's Initials

Other Charges and Fees:

Other charges and fees shall be as determined by Manager and specified in the applicable rental or lease agreement, unless otherwise specified here:Click here to enter text.

The following utilities will be transferred into the Tenants name (when applicable): electric, phone, internet, TV. Snow removal will be the responsibility of the Owner while the home is vacant to facilitate showings. City Water & Sewer shall remain in theOwners name. The HOA

dues (if applicable) will remain the Owner's responsibility. Any specific yard care instructions shall be conveyed in writing from Owner to Manager.

Owner's Initials

Pets must be approved by Owner, and additional deposits shall be discussed prior to lease signing. Manager is not liable for any damages for pets brought onto the property without the knowledge or permission of Manager.

Owner's Initials

Additional Owner Instructions, including Pet Instructions, if applicable:

Owner's Initials

Bills to be paid from Owner's Rental Proceeds: (These can be added later with Owner and Manager approval)

Owner's Initials

No unregistered vehicles to be left on the premise at any time. Any vehicles, trailers, boats, etc shall be parked in the garage or driveway only.

Additional Parking Restrictions Pertaining to the Premises, if any:

Owner's Initials