



MARIE HANSEN PROPERTIES, Inc.

615 PIKOI ST. SUITE 2020 • HONOLULU, HI 96814

TEL: 808-591-1110 • 808-591-9780

RENTAL MANAGEMENT AGREEMENT

PARTIES: In consideration of the covenants herein contained,

OWNERS: _____ SSN: _____

_____ SSN: _____

FED ID #: _____

MAILING ADDRESS: _____

E-MAIL ADDRESS: _____

TELEPHONE NUMBERS: HOME: _____ BUSINESS: _____

CELL: _____ FAX: _____

REFERRING AGENT: _____ COMPANY: _____

TELEPHONE: _____

GENERAL EXCISE TAX LICENSE #: _____

"HAWAII GENERAL EXCISE TAXES MUST BE PAID ON THE GROSS RENTS COLLECTED BY ANY PERSON RENTING REAL PROPERTY IN THE STATE OF HAWAII. A COPY OF THE FIRST PAGE OF THIS AGREEMENT, OR OF FEDERAL INTERNAL REVENUE SERVICE FORM 1099 STATING: THE AMOUNT OF RENTS COLLECTED, SHALL BE FILED WITH THE HAWAII DEPARTMENT OF TAXATION." (Hawaii Revised Statutes, Section 237-30.5.)

Herein after called "OWNER", and MARIE HANSEN PROPERTIES, INC., herein after called "AGENT", agree as follows:

1. AGENCY The OWNER hereby appoints and employs the AGENT exclusively to lease, rent, operate, and manage the real property, hereinafter called "UNIT" situated in _____, City and County of Honolulu, State of Hawaii, described as: _____
Property Located at: _____

Building Name: _____

2. RENTAL INFORMATION AGENT will manage the property according to OWNER'S instructions as stated in Schedule A of this agreement.
3. TERM The term of this agreement shall be for a twelve (12) month fixed period commencing _____ and continuing thereafter unless either party provides the other with 90

days advance written notice of their intention to terminate the agreement. Should the OWNER decide to cancel this agreement prior to the expiration of the fixed period, the OWNER will incur an early termination charge equal to 20% of one month's gross rent.

4. DUTIES OF AGENT

- (a) Rentals and Collections: AGENT shall use its best efforts to obtain tenants for the Premises. AGENT shall conduct a reasonable investigation of references supplied by prospective tenants. AGENT shall obtain a credit report on the prospective tenant from a credit reporting company, the fees for which shall be paid by OWNER. AGENT shall collect all rents and deposits for the Premises. AGENT is permitted to accept payments in cash, cashier's check, money order, or personal checks, although AGENT shall not be liable to OWNER for checks which are returned for insufficient funds or which are otherwise nonnegotiable.
- (b) Deposit of OWNER'S Funds: AGENT shall deposit all funds collected by the AGENT into the client's trust account at a federally insured bank in Honolulu, or trust company, designated by the AGENT.
- (c) Monthly Statements/Distribution of Income to OWNER: AGENT shall provide, within eighteen (18) days after the beginning of each month, a statement of receipts and disbursements for the Premises for the preceding thirty (30) day period. AGENT shall deduct from gross rental income received, AGENT'S Fees and reimbursements for authorized expenditures. AGENT shall distribute the balance to OWNER, or as OWNER may otherwise direct.
- (d) Insufficient Funds: In the event expenses due and owing for the Premises exceed the amount of OWNER'S funds retained by AGENT, AGENT shall not be obligated to advance any funds or to incur any liability for OWNER'S account. AGENT shall not be liable to OWNER for any loss sustained by OWNER by reason of nonpayment or late payment of expenses for the Premises, which nonpayment or late payment resulted from OWNER'S failure to deposit funds or make payments requested by AGENT.
- (e) Security Deposits: AGENT shall collect and retain security deposits in a federally insured bank or trust company in Honolulu on tenant's behalf. Said deposits may be utilized by AGENT to replace or repair items damaged by tenant and/or applied towards cleaning of Unit and/or refunded to tenant as AGENT may reasonably determine. Interest earned, if any, on said deposits will be retained by AGENT.

5. AUTHORITY OWNER hereby appoints and authorizes AGENT for the following:

- (a) To sign and lease the Unit pursuant to the terms hereof; and
- (b) To take any action, including eviction of any tenant, necessary to enforce compliance with such leases and house rules. OWNER shall pay attorney's fees. AGENT will keep OWNER informed of the status of such action.
- (c) Collect and disburse rental proceeds, expenses and fees.
- (d) To negotiate repair contracts and related operating services to the unit.

6. AUTHORIZED EXPENDITURES OWNER authorizes AGENT to pay at OWNER'S expense:
- (a) Rental advertising, credit reports and fees, and tenant verification.
 - (b) Cleaning of Premises, including minor repairs, window washing, rug shampooing, extermination and other customary services AGENT may consider necessary to maintain the high standards for the Premises, unless such expenses are charged to tenant's security deposit.
 - (c) All repairs and replacements, as AGENT may consider necessary or advisable. AGENT agrees to seek prior approval of OWNER for a single expenditure in excess of \$500.00, except monthly or recurring operating charges and/or emergency/safety/health repairs deemed necessary by AGENT per Landlord Tenant Code.
 - (d) Communicating with OWNER via phone for international calls.
7. NOTICES All notices and demands hereunder shall be in writing and shall be served by personal service by leaving a copy by certified or registered mail, postage prepaid, with return receipt requested, addressed as stated on page 1.
8. ASSIGNABILITY Either AGENT or OWNER may assign its rights hereunder to any other qualified party who shall thereupon assume all of AGENT'S or OWNER'S obligations and duties hereunder. Upon such assignment, AGENT or OWNER shall notify the other, in writing, of said assignment.
9. DUTIES OF OWNER
- (a) **Minimum Balance:** OWNER will deposit with AGENT the sum of \$500.00 into the OWNER'S reserve account, which AGENT may apply to expenses. If the balance in the OWNER'S reserve account should be less than that sum, then upon AGENT'S request, OWNER shall deposit sufficient funds to maintain the \$500.00 balance or AGENT may replenish the deposit from OWNER'S rental proceeds.
 - (b) **Inventory List:** OWNER shall provide to AGENT a complete inventory of furniture, equipment and fixtures in the Premises. OWNER understands that inventory may change from time to time due to breakage and normal wear and tear. AGENT shall not be deemed responsible for the condition of the Premises or the furniture, equipment, and fixtures therein. OWNER shall be informed of substantial changes in inventory. An hourly fee of \$100.00 will be charged if AGENT takes the initial inventory.
 - (c) **Keys, House Rules:** OWNER shall furnish AGENT with three complete sets of keys to the Premises, two sets to be issued to the Tenant and one set to be retained by AGENT; two copies of House Rules; and one copy of all service contracts and warranties in effect on the Premises.
 - (d) **Hold Harmless:** OWNER shall save and hold AGENT harmless on account of any damage to the Unit or from the loss of or damage to any furniture, property damage, fixtures, other articles therein and from any and all injury to any person or persons whomsoever, from any cause whatsoever in or about said Unit. All obligations or expenses incurred hereunder will be for the account, on behalf, and at the expense of OWNER. OWNER shall save and hold AGENT harmless from all claims of third parties in connection with AGENT'S management of the

Premises. OWNER will reimburse AGENT for all costs and expenses, including attorney's fees, paid or incurred by AGENT in connection with the defense of any such claim or demand. AGENT shall not be liable to OWNER for any error of judgment or for any mistake of law or fact, or for anything it may do or refrain from doing, except in cases of willful misconduct or gross negligence.

- (e) **Insurance:** OWNER will procure and maintain in full force and effect, at OWNER'S sole cost and expense, and at all times while AGENT is managing the property, the following type of insurance: OWNERS' Landlord and Tenants' Liability insurance policy with a minimum coverage limit of \$500,000; (a DP3 policy for single family homes/townhouses or an HO6 policy for apartments and condominiums) and such fire and extended coverage insurance policies on the Unit, or certificates thereof from an Insurance Company authorized to do business in the State of Hawaii. Such policies shall be so written as to protect the AGENT in the same manner and to the same extent they protect the OWNER, and will name the AGENT as Additional Interested Party.

AGENT is authorized to place required insurance at OWNER'S expense where duplicate policies or certificates of insurance names AGENT as additional interested party are not provided within ten (10) working days from date of this Agreement. AGENT will not be held liable for inadequate or no insurance.

10. AGENT'S FEES

- (a) **Long-Term Rental** For leases having a term of six (6) months or longer, a MONTHLY FEE of 10% of the gross monthly rental income received, or \$100.00 per Unit per month, whichever is greater.
- (b) **Agent's Fees** In addition, OWNER agrees to pay AGENT an **INITIAL FEE of 10%** of one full month's gross rental income received for renting the unit or for any subsequent re-renting of the unit to a new tenant.
- (c) **Contracting Fee** Ten (10%) percent of the total costs in excess of \$1,000.00 for such renovations or modernization of the Unit; carpet replacement and interior painting are excluded from the contracting fees.
- (d) **Late Fees** Fifty (50%) percent to OWNER, fifty (50%) percent to AGENT.
- (e) **General Excise Taxes** All fees referenced herein are subject to current Hawaii General Excise taxes.

SCHEDULE A
Rental Management Information Sheet

11. RENTAL INFORMATION

Desired Monthly Rental Range \$ _____ to \$ _____

Minimum Desired Lease Period _____ months

Maximum Desired Lease Period _____ months

Pets Allowed: ☐ Yes ☐ No

Other: _____

12. DISPOSITION OF INCOME

Please indicate preferred email address for online statements:

If bank deposit, OWNER must provide imprinted deposit slips with the name of the bank, branch, and account number. If OWNER requests Direct Deposit, OWNER must provide a VOIDED check and fully complete and sign the ACH form.

AGENT to use Direct Deposit? ☐ Yes ☐ No

13. PAYMENTS

The following services are optional. Please check each service OWNER desires AGENT to perform. OWNER must have positive cash flow. (OWNER to provide monthly billings, payment booklets, etc., for payment to be made.) If AGENT pays any vendor, OWNER must notify vendors to change mailing address to "c/o Marie Hansen Properties." Payments cannot be made without billing.

☐ Mortgage payment

☐ Lease rent

☐ Maintenance fee

☐ Pool service

☐ Utility payments

☐ Yard service

☐ Real property taxes

☐ Other _____

Payee and Address _____ Due Date _____

Amount _____ Account/Loan No: _____

Payee and Address _____ Due Date _____

Amount _____ Account/Loan No: _____

\$25.00 for each filing and paying each semi-annual return and one annual reconciliation of the General Excise Tax to the State of Hawaii. OWNER hereby authorizes AGENT to file on OWNER'S behalf.

AGENT to file and pay for GET: ☐ Yes ☐ No

TENANT to pay for the following services:

☐ Electricity

☐ Telephone

☐ Gas

☐ Yard Service

☐ Cable TV, basic

☐ Water

☐ Pool Service

☐ Other

☐ Cable TV, premium

☐ Sewer

☐ Refuse

If OWNER is providing a Statement of Charges to AGENT, OWNER must submit charges to AGENT upon receipt. **If OWNER does not submit charges to AGENT within 30 days, OWNER will absorb charges.**

AGENT to bill tenant for the following charges (OWNER provides billings to AGENT):

☐ Electricity ☐ A/C ☐ Water ☐ Sewer ☐ Other _____

14. PROPERTY DESCRIPTION

(a) House ☐ Townhouse ☐ Condominium/Apartment ☐ Co-Op ☐

(b) ROOMS: <input type="checkbox"/> Living Room <input type="checkbox"/> Dining Room/Area _____ Number of Bedrooms _____ Number of Bathrooms <input type="checkbox"/> Kitchen <input type="checkbox"/> Den/Recreation Room <input type="checkbox"/> Lanai <input type="checkbox"/> Hot Tub	APPLIANCES: <input type="checkbox"/> Range/Oven <input type="checkbox"/> Refrigerator <input type="checkbox"/> Disposal <input type="checkbox"/> Dishwasher <input type="checkbox"/> Washer/Dryer <input type="checkbox"/> Window Air Conditioner <input type="checkbox"/> Central Air Conditioner <input type="checkbox"/> Microwave <input type="checkbox"/> Water Heater
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Where is the Water Heater located? _____

Where is the Air Conditioner located? _____

Where is the storage located? _____

Where is the circuit breaker located? _____

Approximate total square footage: _____ Lanai Square Footage: _____

(c) Furnished: _____ Partly Furnished (Appliances, drapes, carpets): _____
Inventory provided: ☐ Yes ☐ No

(d) Warranties in effect: _____
Warranty coverage provided: ☐ Yes ☐ No

(e) How many parking stalls? _____ Stall Numbers: _____

(f) View? Mountain ☐ Ocean ☐ None ☐ Other _____

15. CONTACT/VENDOR INFORMATION

Resident Manager: _____ Telephone _____

Managing Agent: _____ Telephone _____

Yard Service: _____ Telephone _____

Termite/Pest Control Service: _____ Telephone _____

Pool Service: _____ Telephone _____

16. KEYS TO PROPERTY – THREE (3) FULL SETS

_____ Security	_____ Mail	_____ Storage
_____ Door	_____ Pool	_____ Other (specify): _____
_____ Deadbolt	_____ Garage	

17. INSURANCE COVERAGE:

- (a) OWNER has liability insurance coverage with:
Company Name: _____ Policy #: _____
Agent Name: _____ Telephone: _____
- (b) OWNER has fire insurance coverage with:
Company Name: _____ Policy #: _____
Agent Name: _____ Telephone: _____

AGENT will not be liable if UNIT is not covered by insurance, is inadequately covered by insurance, or if any insurance coverage lapses.

Please refer to insurance coverage as outlined on page 3, DUTIES OF OWNER, item (e), Insurance.

18. PERSON TO NOTIFY IN CASE OF EMERGENCY

Name: _____
Address: _____
Telephone: _____ Relationship: _____

19. FOREIGN INVESTMENT IN REAL PROPERTY TAX ACT (FIRPTA)

Pursuant to the Internal Revenue Service (IRS) Code section 1441, the deduction of a withholding tax on all fixed and determinable gross income shall be required of any non-resident alien individual, fiduciary, foreign partnership or foreign corporation unless exempt under provisions provided under said IRS Code section.

If OWNER is a non-resident alien individual, fiduciary, foreign partnership or foreign corporation, AGENT requires a written statement from either a Certified Public Accountant or a U.S. Tax Attorney certifying that OWNER is exempt from withholdings. Without this statement, AGENT will be required to withhold and report the appropriate tax to the IRS. A monthly fee of **\$25** will be charged to the OWNER for this service.

Select one: OWNER ☐ **is** ☐ **is NOT** a non-resident alien individual, fiduciary, foreign partnership, or foreign corporation.

20. KNOWN PROBLEMS EXISTING AT PROPERTY

List any roof leaks, plumbing, electrical repairs, etc., here: _____

List persons, companies, or firms familiar with the above problems: _____

21. SPECIAL CONDITIONS

All special requests or requirements pertaining to your unit MUST be in writing. Please list them below.

This Agreement contains the entire agreement between parties and may be modified only in writing and signed by all parties hereto. This Agreement shall be binding upon the inure to the benefit of the successors and assigns of the AGENT, and to the heirs, administrators, executors, successors, and assigns of the OWNER. It shall be governed by the laws of the State of Hawaii, and if provisions of the Agreement are in conflict therewith, such provisions shall be severable, and the remainder of this Agreement shall remain fully effective.

Signed this _____ day of _____.

Each party hereby acknowledges receipt of a copy of this Agreement.

Owner Name

Owner Signature

Owner Name

Owner Signature

Marie Hansen Properties, Inc.
615 Piikoi St. #2020
Honolulu, HI 96814

Cheryl Y. Kunimoto (R), PB
President

Date