

PROPERTY MANAGEMENT AGREEMENT

RETAINER PERIOD:

Owners hereby retain Action Properties as property manager for the property situated in the City of Placerville, County of El Dorado, State of California, known as 941 Spring Street, commencing April 1, 1995 and continuing until terminated.

RECEIPT OF DEPOSITS:

Owners hands \$ 4189.84 to Action Properties for deposit into the trust account.

RECEIPT OF CASH RESERVE:

1. Owners to maintain a cash reserve and will cover any excess of expenses over income within seven days of any request by Action Properties. The Action Properties may terminate this agreement immediately if the request for additional funds is not paid.
2. The reserve deposit may be used to pay costs diligently incurred by Action Properties or due Action Properties in fulfilling Action Properties' obligation.

BROKERAGE FEE:

NOTICE: The amount or rate of real estate fees is not fixed by law. They are set by each broker individually and may be negotiable between the client and broker.

Action Properties compensation to be:

- A. \$135 per month per agreed Job Description.
- B. In the event that the Owners shall request the Action Properties to undertake work exceeding that usual to normal management, then a fee shall be agreed upon for such services before the work begins. Normal management does not include modernization, refinancing, fire restoration, major rehabilitations, obtaining income tax advice, presenting petitions to planning or zoning committees, advising on proposed new construction or other counseling.

TRUST ACCOUNT:

1. Action Properties will place the Owners deposit for costs into: Action Properties' trust account, or separate trust account for the Owners, maintained with Wells Fargo Bank at their Placerville branch. This account shall be: non-interest bearing, or interest bearing on amounts over \$3,000.
2. All funds received by Action Properties for the account of Owners will be placed in this trust account.
3. Amounts to pay and satisfy the obligations incurred by Action Properties may be disbursed from this account anytime after payment is due.
4. On termination of this agreement, Action Properties will return to Owners all remaining trust funds.

PERIODIC ACCOUNTING:

1. Within ten days after each calendar quarter and on termination of this agreement, Action Properties will deliver to Owners an accurate Statement of Account for all receipts and expenditures.
2. Amounts to compensate Action Properties may be withdrawn from the trust account.
3. Each Statement of Account delivered by Action Properties shall include no less than the following information:
 - A. Amount of Association Dues, itemized by unit.
 - B. An itemized description of disbursements.
 - C. Current remaining balance of the income and expense and security trust account.

4. To pay from gross receipts all operating expenses and such other expenses as may be authorized by Owners' including:
- Taxes _____
 - Insurance premiums _____
 - Mortgage payments _____
 - Other City Water and Sewer, El Dorado Disposal, Gardening, PG & E, Sweeping Service.

BROKER AGREES TO:

1. Use diligence in the performance of this employment.
2. Maintain a California real estate broker's license.
3. Collect all association dues or other charges and expenses due from Owners.
4. Contract for utilities and services to operate and maintain the property and safeguard the tenants.
5. Contract for any repairs, maintenance or improvements needed to maintain the property. Owners to approve all repairs in excess of \$ 400.
6. Obligate Owners to no unauthorized agreement or liability.
7. Protect and enhance the goodwill of Owners rental business and keep secure any knowledge of Owners business activities acquired during this employment.
8. Inspect and take any action necessary to comply with federal, state, county or municipal safety and building codes affecting the property.
9. Notify Owners or any potential hazards to the tenants or property and Owners to respond within seven days. Should an emergency situation arise placing the tenants or property in jeopardy, Action Properties may immediately remedy the situation without further authority from Owners.
10. Monthly inspection of building exterior and grounds. Inspection of outside lights.
11. Attendance at Association Meetings.
12. Perform the items listed in the attached Property Management Job Description.

OWNERS AGREE TO:

1. Hand Action Properties the key to the maintenance closet.
2. Hand Action Properties (if Action Properties is to disburse) insurance premium billings and any other bills that need to be paid.
3. Provide public liability, property damage insurance sufficient in amount to protect the Action Properties and Owners, naming Action Properties as an additional insured.
4. Owners insurance agent is: Atwood Insurance

TERMINATION:

1. This agreement shall continue until a written notice of termination is given by either party of at least thirty days prior to termination date.
2. On termination, Owners will assume the obligation of any contract entered into by Action Properties under this agreement.

GENERAL PROVISIONS:

1. In the event of any legal action by the parties arising out of this agreement, the prevailing party shall be entitled to reasonable attorney's fees and costs, to be determined by the court in which such action is brought.
2. Items left blank or unchecked not applicable.

MAINTENANCE:

Non routine maintenance work may be performed at the discretion of Action Properties. Compensation by owners for the work will be \$22 per hour plus materials. Action Properties will submit an itemized statement for all non routine maintenance with the quarterly statement of account.

INDEPENDENT CONTRACTOR:

In the performance of the work, duties, and obligations of this contract, it is mutually understood and agreed that Action Properties is at all times acting and performing as an independent contractor. No relationship of partnership, joint venture or employment is created by this Agreement.

Parties hereby acknowledge that they have read this Agreement, understand it, agree to it, and have been given a copy April 7, 19 95.

BROKER:

Action Properties

550 Main St. Suite 1D

Diamond Springs, CA 95619

(916) 622-8466

By: Mary Jo Walter

Broker's Approval _____

OWNERS:

Owner: Dr. Eric Hamilton
Soc. Sec. #: Director of Pub Health

Phone # (916) 621-6191

Owner: Rajiv S Pathak MD

Soc. Sec. #: 68-0267111

Phone # (916) 642-2200

Owner: Richard Detwiler

Soc. Sec. #: 557-82-1607

Phone # (916) 622-1397

Owner: Daniel R. Cummings

Soc. Sec. #: 559-90-4908

Phone # (916) 622-9334

Owner: Blanche Kowchert

Soc. Sec. #: 520-20-0929

Phone # (916) 632-8782