

**CINCINNATI METROPOLITAN HOUSING AUTHORITY
CITY WEST COMMERCIAL BAYS
PROPERTY MANAGEMENT AGREEMENT**

This Management Agreement is entered into by and between The Cincinnati Metropolitan Housing Authority (“CMHA”), an Ohio public housing authority, and _____, a property management corporation (the “Property Managers”), (collectively, the “Parties”), for management of properties owned and operated by CMHA known as the “City West Commercial Bays”, and other Commercial properties.

Recitals

WHEREAS, the Parties desires that CMHA engages the Property Managers to provide property management services at the City West Commercial Bays;

NOW, THEREFORE, in consideration of the recitals, covenants, and conditions set forth herein, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledgement the parties agree to the following:

1. Appointment. CMHA appoints Property Managers as exclusive managing and leasing agent for the properties described in Exhibit B, and Property Managers accepts the appointment subject to the terms and conditions as set forth in this Agreement.
2. Governmental Requirements.
 - a. *COMMERCIAL PROPERTY REQUIREMENTS*: Property Managers will provide for the management of the Program properties in accordance with all Commercial property requirements. In the event that any instruction from CMHA is in contravention of such requirements, the Applicable Commercial Property Requirements will prevail.
 - b. *Ohio Law*: Property Managers agrees to comply with all applicable laws of the State of Ohio, and all rules and regulations promulgated in connection therewith.
3. Rentals. Property Managers will offer for rent and will rent the Program Properties subject to the following terms and conditions:
 - a. Property Managers will show the premises to prospective tenants.
 - b. Property Managers will take and process applications for rentals, Property Managers must verify information provided by the tenant including all income, assets, and other due diligence items circumstances that affect eligibility. If an

application is rejected, the applicant will receive written notice of the reason for rejection and the rejected application, with reason for rejection noted thereon, will be kept on file for five (5) years.

- c. Property Managers will prepare all rental leases and, if applicable, parking permits, and will execute the same in its name, identified thereon as agent for CMHA. When and where applicable, all applicable Commercial lease requirements will be included in such lease agreements. The form of such lease agreement must be approved by CMHA.
 - d. Property Managers will furnish to CMHA rent schedules showing rents for all dwelling units, which will comply with all applicable restrictions.
 - e. Property Managers will counsel all prospective tenants regarding their eligibility for such units, and will require all prospective tenants to provide sufficient due diligence items for possible lease approval.
4. Security Deposits: Property Managers will collect, deposit, and disburse security deposits, if required, in accordance with the terms of each tenant's lease, the provisions of State Landlord-Tenant law. The amount of each security deposit will be specified in the lease and consistent with all applicable law. Any security deposits collected will be deposited in an interest-bearing account, separate from all other accounts and funds, with a bank or other financial institution whose deposits are insured by an agency of the United States government and a pro-rata share of interest will be credited to each tenant's security deposit to the extent required by Ohio law. This account will be carried in Property Manager's name and designated on record as "CMHA City West Commercial Bays – Security Deposit Account."
 5. Collection of Rents and Other Receipts: Property Managers will collect when due all rents, charges and other amounts receivables on CMHA's account in connection with the management and operation of the Properties. Such receipts, except for tenant security deposits, which will be handled as specified in Section 7 above, will be deposited in an account, separate from all other accounts and funds, with a bank or other financial institution whose deposits are insured by an agency of the United States Government. This account will be carried in Property Manager's name and designated of record as "CMHA City West Commercial Bays – General Operating Account."
 6. Enforcement of Leases Property Managers will ensure full compliance by each tenant with the terms of the lease. Property Managers may lawfully terminate a tenancy when, in Property Manager's judgment as managing agent, sufficient cause (including but not limited to nonpayment of rent) for such termination occurs under the terms of the lease agreement. For this purpose, Property Managers is authorized to consult with legal counsel to bring actions for forcible entry and detainer and to execute notice to vacate and judicial pleadings incident to such actions; provided, however, Property Managers must keep CMHA informed of such actions and follow such instruction as may be prescribed by CMHA for the conduct of any such action.

7. Maintenance and Repair. Property Managers will maintain the Properties in good repair in accordance., local codes and in a condition at all times acceptable by CMHA. This will include, but not be limited to, cleaning, painting, decorating, plumbing, carpentry, grounds care, and such other maintenance and repair work as may be necessary, subject to any limitations imposed by CMHA in addition to those contained herein. Incidental thereto, the following provisions will apply:
 - a. Property Managers will complete preventative maintenance activities in the most cost effective and efficient manner as possible.
 - b. Property Managers will contract with qualified, independent contractors for extraordinary repairs and in accordance in 24 CFR Part 85, if applicable.
 - c. Property Managers will systematically receive emergency requests which will be received and serviced on a twenty-four (24) hour basis. Complaints that may be subject CMHA to any threat of litigation will be reported to CMHA promptly.
 - d. Property Managers is authorized to purchase all materials, equipment, tools, appliances, supplies and services necessary for proper maintenance and repair, provided, however, that Property Managers shall not obligate the funds or pledge the credit of CMHA beyond those amounts stated in the approved operating budget without obtaining CMHA's concurrence in writing.
 - e. Notwithstanding any of the forgoing provisions, the prior approval of CMHA will be required for any expenditure which exceeds \$10,000 (Ten Thousand Dollars) in any one instance for labor, materials, or otherwise in connection with the maintenance and repair of the Properties. This limitation is not applicable for recurring expenses within the limits of the operating budget or emergency repairs involving a manifest danger to persons or property, or that are required to avoid suspension of any necessary service to a Property. In the later event, Property Managers will inform CMHA of the facts as promptly as possible.
8. Utilities and Services. In accordance with the Management Plan, Property Managers will make arrangements for water, electricity, gas, sewage, and trash disposal, vermin extermination, decorating, laundry facilities, and communication services. Subject to CMHA's approval, Property Managers will make any such contracts as may be necessary to secure such utilities and services.
9. Disbursements from general Operating Account.
 - a. From the funds collected and deposited by Property Managers in the General Operating Account pursuant to Section 8 above, Property Managers will

disburse all sums due and payable by CMHA as expenses of the Properties authorized to be incurred under the terms of this agreement.

- b. Except for the disbursements mentioned in 13(a) above, funds will be disbursed or transferred from the general operating Account only if CMHA shall direct in writing.
 - c. In the event the balance in the General Operating Account is at any time insufficient to pay disbursements due and payable under Subsection 13(a) above, Property Managers will inform CMHA.
10. Budgets. Annual operating budgets for the Program Properties will be approved by CMHA. Except as permitted under Subsection 11(e) above, annual disbursements for each type of operating expenses itemized in the budget will not exceed the amount authorized by the approved budget. Property Managers will prepare a recommended operating budget for each fiscal year beginning during the term of this agreement, and will submit the same to CMHA at least sixty (60) days before the beginning of each fiscal year, CMHA will promptly inform Property Managers of any changes incorporated in the approved budget, and Property Managers will keep CMHA informed of any anticipated deviation from the receipts or disbursements stated in the approved budget.
11. Records and Reports. In addition to any requirement specified in the Management plan or other provision of this agreement, Property Managers will have the following responsibilities with respect to accounts and reports:
- a. Property Managers will maintain a comprehensive system of records, books, and accounts in a manner satisfactory to CMHA. All records, books, accounts will be subject to examination at reasonable hours by any authorized representative of CMHA.
 - b. With respect to each fiscal year ending terms of this Agreement, Property Managers will have an annual financial audit by a certified public accountant to be selected by CMHA. The report will be prepared in accordance with generally acted accounting practices and submitted to CMHA within sixty (60) days after the end of the fiscal year.
 - c. Property Managers will furnish information as requested by CMHA with respect to the financial, physical or operational condition of the Property.
 - d. Upon request of CMHA, Property Managers will provide an itemized list of all delinquent accounts, including general operating accounts, then outstanding.
 - e. Property Managers will provide to CMHA, on a monthly basis, a statement of receipts and disbursements during the previous month, a schedule of accounts

receivable and payable and reconciled bank statements for all accounts maintained by Property Managers on behalf of CMHA, reflecting disbursements and deposit amounts as of the end of the previous month.

12. Bids, Discounts, Rebates or Commissions. CMHA and Property Managers agree to obtain contract materials, supplies and services at the lowest possible cost (taking into account the bidder's reputation and other relevant factors) and on the terms most advantageous to the Project (in order to maximize Project income) and to secure and credit to the Project all discounts, rebates or commissions obtainable with respect to purchases, service contracts and other transactions on behalf of the Project (including any sales and property tax relief granted by the State or local government). CMHA and Property Managers agree that all goods and services purchased from individuals or companies having an identity-of-interest with CMHA or Property Managers shall be purchased at costs not in excess of those that would be incurred in making arms-length purchases on the open market.

Property Managers shall solicit written cost estimates (i.e., bids) from at least three contractors or suppliers for any work item which Property Managers estimates will cost \$10,000 or more and for any contract or ongoing supply or service arrangement which is estimated to exceed \$10,000 per year. Property Managers agrees to accept the bid which represents the lowest price, taking into consideration the bidder's reputation for quality of workmanship or materials and timely performance, and the time frame within which the service or goods are needed. For any contract or ongoing supply or service arrangement obtainable from more than one source and estimated to cost less than \$10,000, Property Managers shall solicit verbal or written cost estimates, as necessary to assure that the Project is obtaining services, supplies and purchases at the lowest possible cost. Property Managers must make a written record of any verbal estimate obtained. Copies of all required bids, and documentation of all other written or verbal cost comparisons made by Property Managers and the reasons for accepting a bid other than the lowest bid, shall be made part of the Program's records and shall be retained for three years from the date the work was completed. This documentation shall be subject to inspection by the Owner and HUD and any other regulatory agency having jurisdiction over the Program, and Property Managers agrees to submit such documentation upon request.

The Property Managers agrees to make available to CMHA all records of Property Managers and its identity-of-interest company(s), if any, which relate to the provision of goods or services to the Program whenever Program funds have been used to pay for such goods and/or services (other than management services).

In connection with the procurement and contracting activities described above, Property Managers will provide firms headed by minorities, women and socially and economically disadvantaged persons equal opportunity to participate. In

addition, Property Managers will comply with Section 3 of the Act and its implementing regulations, if applicable.

13. Management/Tenant Relations. Property Managers will work with the tenants in a professional manner encouraging and promoting good communication between Property Managers and the tenants.
14. Insurance. CMHA will inform Property Managers of the nature and amount of all insurance to be carried with respect to the Program and its operations, and Property Managers will cause such insurance to be placed and kept in effect at all times. Property Managers will pay a proportionate share of all premiums out of the applicable Operating Account, and all such premiums will be treated as operating expenses for the units covered by that account. All insurance will be placed with such companies, on such conditions, in such amounts, and with such beneficial interests appearing thereon as shall be acceptable to CMHA. Property Managers will investigate and furnish to CMHA with full reports as to all accidents, claims, and potential claims for damage relating to the properties and will cooperate with CMHA in connection therein.
15. Compliance with Governmental Orders. Property Managers will take such actions as may be necessary to comply promptly with any and all governmental orders or other requirements affecting the Program Properties, whether imposed by Federal, state, county or municipal authority. Nevertheless, Property Managers shall take no action so long as CMHA is contesting, or has affirmed its intention to contest, any such order or requirement. Property Managers will notify CMHA in writing of all notices of such orders or other requirements, within seventy-two (72) hours from the time of their receipt.
16. Nondiscrimination. In the performance of its obligations under this Agreement, Property Managers will comply with, and will use reasonable efforts to ensure that all subcontractors comply with, the provisions of any Federal, state or local law prohibiting discrimination on the grounds of race, color, sex, sexual orientation, creed, handicap/disability, age or national origin, including: Title VI of the Civil Rights Act of 1964 (Public Law 88-352, 78 Stat. 241) and all requirements imposed by or pursuant to the Regulations of HUD (24 CFR Part 1,) issued pursuant to that Title; regulations issued pursuant to Executive Order 11063; the Fair Housing Act, Title VIII of the 1968 Civil Rights Act, Section 504 of the Rehabilitation Act of 1973 (as amended), the Age Discrimination Act of 1975 and all regulations and administrative instructions implementing these laws.
17. Property Manager's Compensation. Property Managers shall be compensated for services under this Agreement by monthly fees to be paid out of the General Operating Account and treated as property expenses. Such fees will be payable on the first day of each month for the term of this Agreement.
 - a. The monthly fee will be \$_____ per unit commercial rented bay per month, provided however, that if a dwelling unit remains vacant for thirty (30) calendar

days or more, Property Managers will not be entitled to the monthly fee for that vacant unit unless the vacancy is caused by physical damage to the unit as determined by CMHA.

- b. From the date that each unit in the Project is initially occupied, CMHA shall pay the Property Managers a monthly fee in an amount equal to _____% of the “gross revenue” (as defined below).

18. Fee for Property Management Services from CMHA. Parties acknowledge that CMHA is in position to provide property management services for tenants, including accounting, hiring of contractors, and use of agency personnel. The Parties agree that the Property Managers may use CMHA’s personnel and existing contracts for services at the Project in exchange for reasonable payment for such services as demonstrated by invoice.

19. Additional Services from CMHA. Parties agree that CMHA may be in the best position to provide legal, procurement, financial, and IT services to the Property Managers. Property Managers may request any such services from CMHA. Upon receipt of Property Manager’s request for services, CMHA will review the request for feasibility and quote a reasonable fee for services. Any separate services provided by CMHA, and the fee paid for such services by Property Managers, shall be memorialized by written agreement stating the applicable terms and fee.

20. Term of Agreement. This Agreement shall be in effect for a period of two (2) years beginning on _____, 2022, subject, however to the following conditions:

- a. CMHA shall have the right to extend this Agreement for up to two (2) years under the same terms and conditions as are herein contained. Each option period shall be exercised by CMHA giving not less than thirty (30) calendar days’ notice thereof prior to the expiration of the current performance period.

b. The following will constitute a termination of this Agreement:

- i. The Agreement may be terminated by either party as of the last day of any month provided that at least sixty (60) days advance written notice has been given to the other party. Termination of this Agreement shall not entitle Property Managers to payment of any costs or fees, actual or anticipated, which are in addition to the provisions set forth above.
- ii. CMHA reserve its right to terminate this Agreement for cause and also reserves any and all remedies available at law or in equity and other appropriate proceedings. Upon a termination for cause, Property Managers shall be paid only for the compensation earned through the date on which the event giving rise to the termination occurred.

- iii. CMHA reserves the right to terminate this agreement with reasonable notice if CMHA is able to independently procure property management services within the agency. CMHA agrees to give the Property Managers at least ninety (90) days' notice of such intent to terminate the contract and transition property management services back to CMHA.
- iv. Upon termination, whether with or without cause, Property Managers will submit to CMHA any financial statements required and shall immediately deliver and/or pay over to CMHA, the Property's cash trust accounts, investments and records.
- v. In the event that petition in bankruptcy is filed by or against either of the principle parties, or in the event that either makes an assignment for the benefit of creditors to take advantage of any insolvency act, the other party may terminate this Agreement as provided for in b(ii) above.

21. Interpretative Provisions. At all times, this Agreement will inure to the benefit of and constitute the binding obligation of CMHA and Property Managers and their respective successors and assigns.

- b. This Agreement, along with the Contract Acceptance and Award Form, the General Terms and Conditions, the Scope of Work, the Fee Form, and the S3 Package, shall all constitute a general Property Management Contract between the parties. The aforementioned documents along with the proposal comprising the Property Management Contract shall constitute the entire agreement of the Parties. Any discrepancy between these documents shall be resolved in the following order of precedence: Applicable Federal and State law; the Form HUD-5370-C General Terms and Conditions for Non-Construction Contracts; the Terms & Conditions, the Scope of Work, the Property Management Agreement, the Contractor Fee Submission Form, and the proposal. No change to the documents comprising the Property Management Contract will be valid unless made by a supplemental written agreement that is executed and approved by both CMHA and Property Managers.

22. Assignment. This Agreement may be assigned by either party only with the consent of the other party, which consent may be withheld or granted in the consenting party's sole discretion.

23. Notices. All notices, demands, consents and reports provided for in this Agreement shall be given in writing and shall be deemed received by the addressee on the third day after mailing if mailed by United States Postal Service certified or registered mail, postage prepaid, or on the day following mailing if consigned to a recognized overnight delivery service, addressed to the following addresses:

If to CMHA: Cincinnati Metropolitan Housing Authority
1627 Western Avenue
Cincinnati, Ohio 45214

If to Agent:

IN WITNESS WHEREOF, this Memorandum of Agreement has been duly executed as of the day and year first written above.

Cincinnati Metropolitan Housing CMHA

By: _____

Name: Gregory D. Johnson MS, PHM,
EDEP

Title: Chief Executive Officer

By: _____

Name:

Title: