

Professional Real Estate Management Services



Mission Statement, Sample Forms and Reports

Ernst & Haas
MANAGEMENT

Leading The Way Home

Ernst & Haas
MANAGEMENT

“Leading The Way Home”



Dear Prospective Client:

Thank you for considering the services offered by Ernst & Haas Management Company, Inc. For more than 15 years, our firm has carved out a niche market specific to local properties. Our firm specializes in the management of individual properties and portfolios in the Greater Long Beach area. Since we do not manage properties out of our local marketplace, our staff and vendor pool is concentrated and can respond to issues related to each property quickly and effectively.

The staff at Ernst & Haas Management Co. consists of a dedicated group of individuals from a diverse background that have chosen real estate as their profession. Each staff member is committed to our clients and to their duties as a team member of Ernst & Haas. Our company has partnered with several local and nationally recognized organizations which provide ongoing and continuing education ranging from landlord tenant law, to maintenance skills and efficiencies.

Our office is licensed by the California Bureau of Real Estate; insured and bonded; holds membership with the National Association of Residential Property Managers (NARPM), the California Association of Realtors; and is a member of the National Council of Better Business Bureau (BBB).

We appreciate the opportunity to present you our services and are available to answer any questions you may have. Please feel free to reach us directly at (562) 989-9835 x 317.

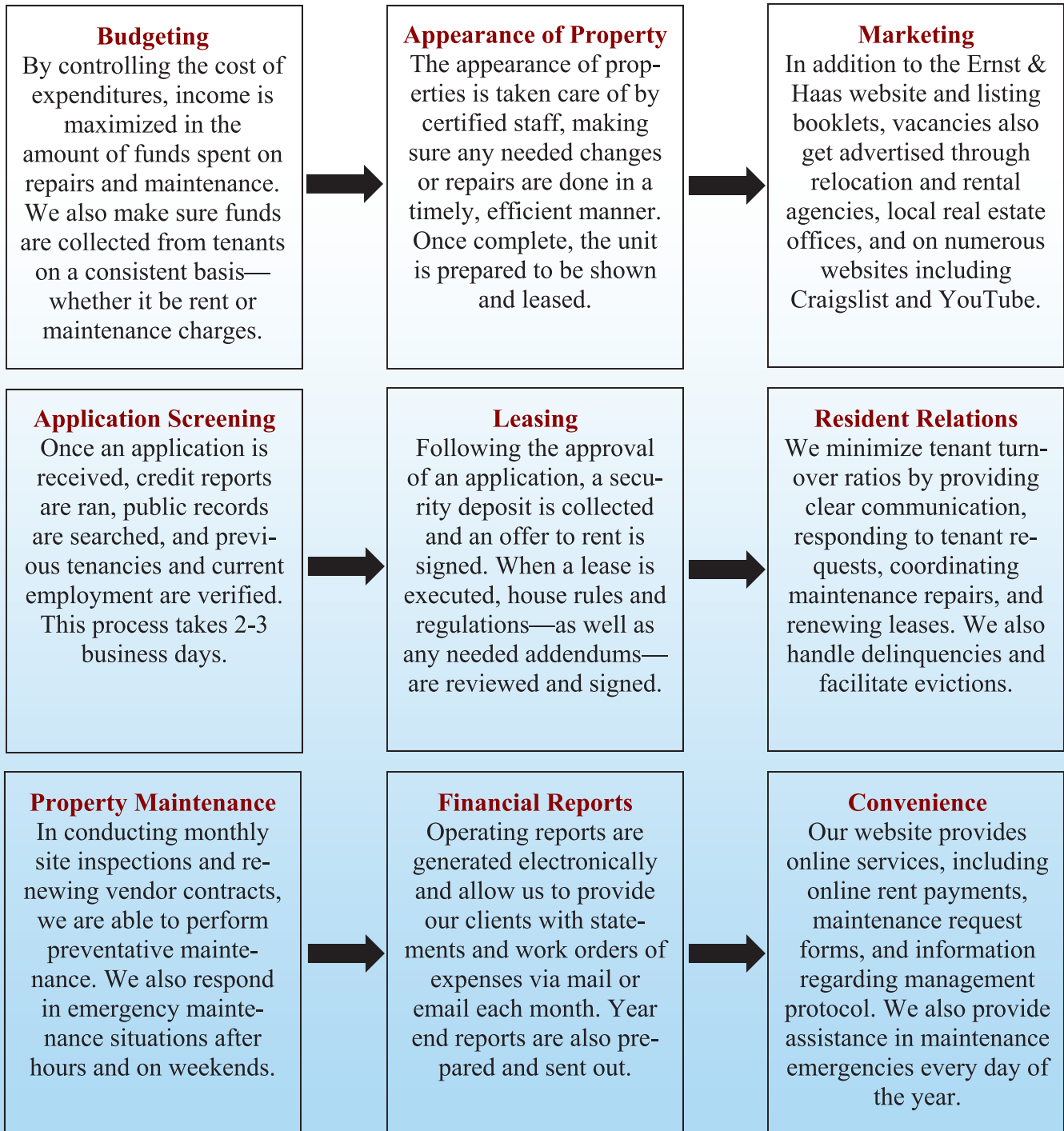
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Management Plan and Operations

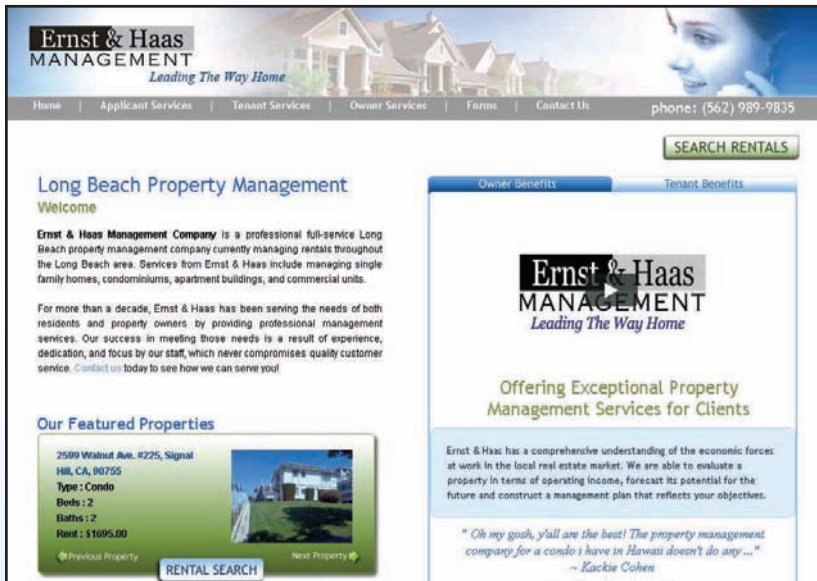
The exact management plan for your specific property will be determined by your financial needs, objectives, and long-term goals. Other determining factors include the size, age, condition, location of the physical structure, and tenant profile. Once the management plan is in effect, Ernst & Haas Management Co. serves as a professional managing agent by devoting management expertise to provide the following:



Marketing

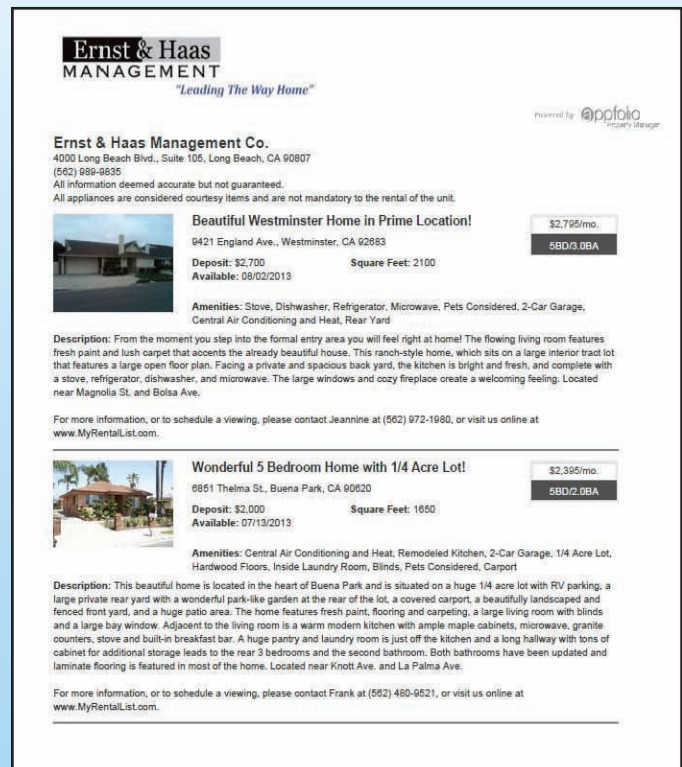
Marketing

Our marketing team takes an aggressive approach in making sure our vacancies are marketed throughout a variety of outlets as soon as the notice is received. In addition to our printed listing and website (www.ernstandhaas.com), we also advertise our vacancies on dozens of websites including CRMLS, Craigslist, Zillow, Trulia, HotPads, Westside Rentals and more! We also feature properties on our blog, YouTube channel, and Facebook and Twitter pages.



Our website is a great resource for our clients, tenants, and applicants. Owners and tenants can access important information through our portals, while applicants can apply and obtain valuable services.

Our printed booklet is offered free to prospects that would like a hard copy of our vacancy list. Prospects can pick up a printed listing from our office 24 hours a day, 7 days a week.



Ernst & Haas
MANAGEMENT
"Leading The Way Home"




3BR
This listing is powered by: **opfolio**
Property Manager

Beautiful Ocean Front Unit on the Sand!

3BD/2.0BA \$2,895 Description

6611 Seaside Walk
Long Beach, CA 90803

[View Map](#)






video walkthrough

This beautiful ground level unit is located on the Peninsula and features a long list of amenities. This ground level home is nestled toward the end of the peninsula and offers stunning views of the ocean. The large living area features a fireplace, open dining area, and breakfast bar. The large kitchen features a stove, microwave and refrigerator. All 3 bedrooms feature large closets and 2 of the bedrooms can be used as flex space and can open to each other. The master bedroom has an attached private bathroom and large wardrobe closet. A 1-car garage is also included. Located near Ocean Blvd. and 66th Pl.

For more information, or to schedule a viewing, please contact

With the help of cloud-based software, our Craigslist ads stand out amongst the crowded field of generic ads. Each ad contains the details of each unit, including amenities, description, contact information, map, photos, and video (if applicable).




ernsthaasmanagement's channel

Subscribe 21

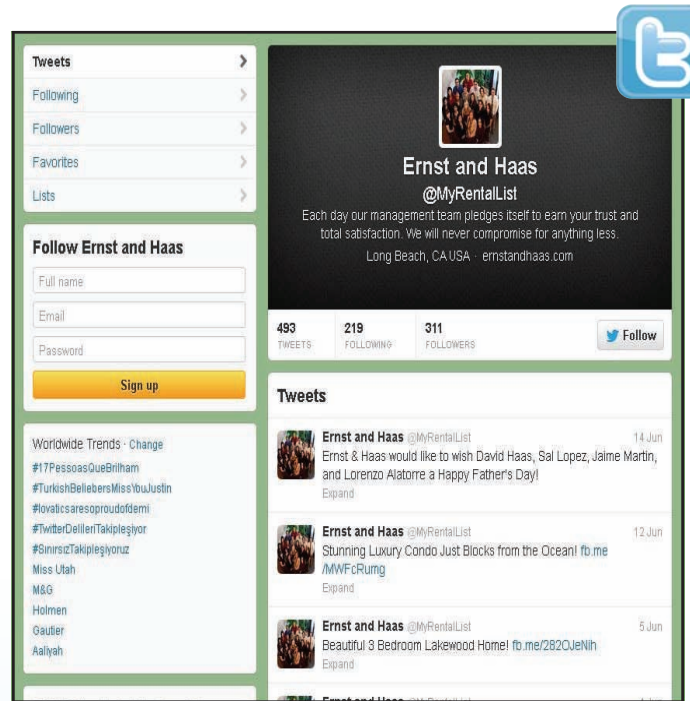
Recent uploads

Address	Views	Time
388 Ocean Blvd #1502	15 views	1:56
4232 Palo Verde Ave	56 views	2:39
16925 Betty Ave	105 views	3:46
4180 Elm Ave #03	65 views	1:14
17904 San Gabriel Ave.	73 views	4:20
1023 A	220 views	

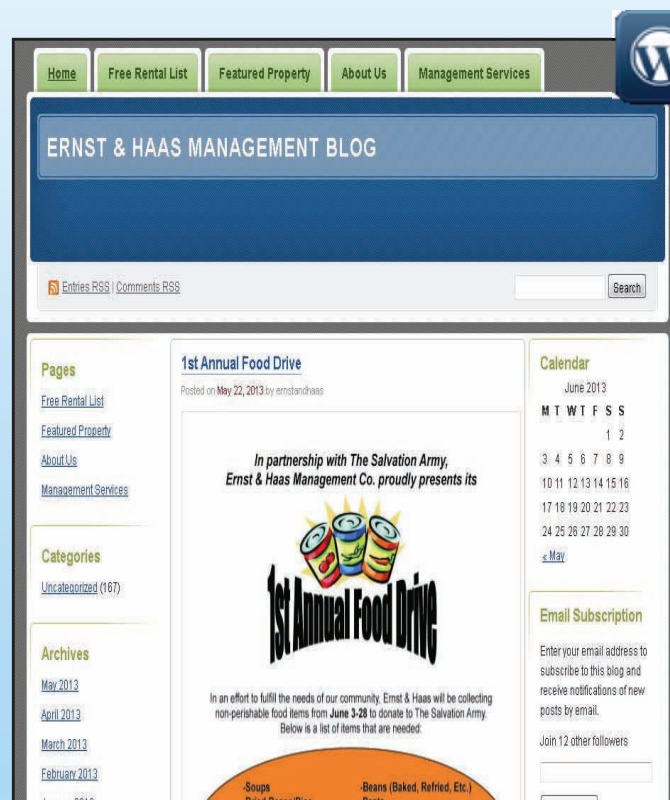
Popular uploads



Our YouTube channel hosts property videos that we feature with many of our vacancies. These videos are helpful tools in providing additional marketing of the property, especially for those moving from out of the area, or those wanting to rent site unseen.



Social media is an important marketing outlet as it keeps the community informed and connected. We make sure that our Facebook and Twitter pages not only represent our firm, but welcome those in our community to provide input, ask questions, and explore our company. Additionally, we have a blog that we contribute to on a regular basis that features articles regarding property management, events and news in our community, and Ernst & Haas announcements.



Owner Related Reports

Owner Reports Explained


At Ernst & Haas Management Co., we strive to achieve a clear understanding of our financial reporting by our clients. Our firm provides standardized reporting, which is compliant to GAAP standards, IREM, the California Department of Real Estate, and AICPA. What this means is that reporting provided for a client's property is uniform and compatible with federal and state tax forms and allows for simple tax reporting. In addition to the two standard reports issued monthly to each owner, our office can generate any customized financial statement requested by an owner. Whether it is a trial balance or general ledger, it's always available!


Our firm follows a traditional cycle of cash basis accounting. All rents and income collected during an operating month are deposited into the broker's trust account. During the last few days of each operating month, the accounting cycle is closed. Statements are then emailed and owner disbursements are directly deposited into each client's account. Hard copies, however, are available for a nominal monthly fee upon request.

All original documents remain on file with our firm for 5 years and all financial data is kept indefinitely. If copies of reports or documents are needed, they are available upon request at any time.

4000 Long Beach Blvd.
Suite 105
Long Beach, CA 90807

Owner Statement

 **John Doe**
5678 B Street
Los Alamitos, CA 90720

 **Properties**
Sample Property
1234 A Street
Long Beach, CA 90805

Date	Payee / Payer	Check #	Description	Income	Expense	Balance
			Beginning Cash Balance as of 06/01/2013			0.00
06/01/2013	Julie J.	6303	3033 - Rent/Lease - June 2013	689.00		689.00
06/01/2013	Julie J.	eft	3033 - HUD Rent - June 2013	206.00		895.00
06/01/2013	Manuel Carl	eft	3031 - HUD Rent - hud portion	804.00		1,699.00
06/03/2013	Manuel Carl	3904	3031 - Rent/Lease - June 2013	156.00		1,855.00
06/05/2013	City Of Long Beach	30741	Utilities - 021919902		50.34	1,804.66
06/10/2013	J.D. Custom Home Builders, Inc.	30841	3033 - Maintenance & Repair - Repaired Loose Bedroom Outlet by Re-connecting it - Moved S.D Away From Heater and Installed it Closer to Entry Door - Inspected Kitchen Faucet and Found that it Squirts Due to an After Market Sprayer Hose. Repaired Faucet by Installing a New Aerator - 1-Electrical outlet in bedroom no good loose inside 2- Smoke alarm too close to heater goes off too often, wants it to be moved closer to front door 3- Kitchen faucet squirts all over		137.50	1,667.16
			Ending Cash Balance			1,667.16
Total				1,855.00	187.84	

Bills Due

Due Date	Payee	Description	Unpaid
06/20/2013	Dewey Pest Control, Inc.	Acct#1072500-19	40.00
Total			40.00

Property Cash Summary

Required Reserves	0.00
Prepaid Rent for Future Rent	0.00

Cash Flow - 12 Month

Ernst & Haas Management Co.

Properties: Sample Property - 1234 A Street, Long Beach, CA 90805

Period Beginning: Jan 2013

Account Name	Jan 2013	Feb 2013	Mar 2013	Apr 2013	May 2013	Jun 2013	Jul 2013	Aug 2013	Sep 2013	Oct 2013	Nov 2013	Dec 2013	Total
Operating Income & Expense													
Income													
Rent/Lease	845.00	845.00	845.00	845.00	845.00	845.00	0.00	0.00	0.00	0.00	0.00	0.00	5,070.00
HUD Rent	1,010.00	1,010.00	1,010.00	1,010.00	1,010.00	1,010.00	0.00	0.00	0.00	0.00	0.00	0.00	6,060.00
Total Operating Income	1,855.00	1,855.00	1,855.00	1,855.00	1,855.00	1,855.00	0.00	0.00	0.00	0.00	0.00	0.00	11,130.00
Expense													
Management Fees	129.85	129.85	129.85	129.85	129.85	0.00	0.00	0.00	0.00	0.00	0.00	0.00	649.25
Maintenance & Repair	315.00	0.00	0.00	295.69	0.00	137.50	0.00	0.00	0.00	0.00	0.00	0.00	748.19
Gardening/Grounds Maint.	60.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	60.00
Pest Control	40.00	40.00	40.00	40.00	40.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	200.00
Plumbing	42.50	0.00	0.00	157.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	199.50
Utilities	53.44	49.17	56.34	50.34	52.90	50.34	0.00	0.00	0.00	0.00	0.00	0.00	312.53
Total Operating Expense	640.79	219.02	226.19	672.88	222.75	187.84	0.00	0.00	0.00	0.00	0.00	0.00	2,169.47
NOI - Net Operating Income	1,214.21	1,635.98	1,628.81	1,182.12	1,632.25	1,667.16	0.00	0.00	0.00	0.00	0.00	0.00	8,960.53
Other Income & Expense													
Other Expense													
Property Taxes	0.00	0.00	855.46	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	855.46
Total Other Expense	0.00	0.00	855.46	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	855.46
Net Other Income	0.00	0.00	-855.46	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-855.46
Total Income	1,855.00	1,855.00	1,855.00	1,855.00	1,855.00	1,855.00	0.00	0.00	0.00	0.00	0.00	0.00	11,130.00
Total Expense	640.79	219.02	1,081.65	672.88	222.75	187.84	0.00	0.00	0.00	0.00	0.00	0.00	3,024.93
Net Income	1,214.21	1,635.98	773.35	1,182.12	1,632.25	1,667.16	0.00	0.00	0.00	0.00	0.00	0.00	8,105.07

Income Register

Properties: Sample Property - 1234 A Street, Long Beach, CA 90805

Receipt Date Range: 06/01/2013 to 06/30/2013

Payers: All

Check Number	Property	Unit	Payer	Received Date / Invoice Date	Cash Account / Income Account	Receipt Amount	Charge Amount	Description
6303	3031 & 3033 65th St. Duplex - 3031 65th St. Long Beach, CA 90805	3033	Julie J.	06/01/2013	1000 - Cash in Bank - Operating	689.00		
				06/01/2013	4000 - Rent/Lease		689.00	
eft	3031 & 3033 65th St. Duplex - 3031 65th St. Long Beach, CA 90805	3033	Julie J.	06/01/2013	1000 - Cash in Bank - Operating	206.00		Hud payment
				06/01/2013	4002 - HUD Rent		206.00	
eft	3031 & 3033 65th St. Duplex - 3031 65th St. Long Beach, CA 90805	3031	Manuel Carl	06/01/2013	1000 - Cash in Bank - Operating	804.00		Hud payment
				06/01/2013	4002 - HUD Rent		804.00	
3904	3031 & 3033 65th St. Duplex - 3031 65th St. Long Beach, CA 90805	3031	Manuel Carl	06/03/2013	1000 - Cash in Bank - Operating	156.00		
				06/01/2013	4000 - Rent/Lease		156.00	

Total 1,855.00 1,855.00

Expense Register

Properties: Sample Property - 1234 A Street, Long Beach, CA 90805

Payees: All

Bill Status: All

Bill Date Range: 06/01/2013 to 06/12/2013

Property	Unit	Payee Name	Bill Date	Check Date	Expense Account	Cash Account	Amount	Reference/Check #	Description
3031 & 3033 65th St. Duplex - 3031 65th St. Long Beach, CA 90805		Dewey Pest Control, Inc.	06/01/2013		5225 - Pest Control	1000 - Cash in Bank - Operating	40.00		Acct#1072500-19
3031 & 3033 65th St. Duplex - 3031 65th St. Long Beach, CA 90805		City Of Long Beach	06/04/2013		5310 - Utilities	1000 - Cash in Bank - Operating	50.34	Gas, Water, Sewer and Refuse Utilities	021919902
				06/05/2013			30741		
3031 & 3033 65th St. Duplex - 3031 65th St. Long Beach, CA 90805	3033	J.D. Custom Home Builders, Inc.	06/10/2013		5200 - Maintenance & Repair	1000 - Cash in Bank - Operating	137.50	11952	Repaired Loose Bedroom Outlet by Re-connecting it - Moved S.D Away From Heater and Installed it Closer to Entry Door - Inspected Kitchen Faucet and Found that it Squirts Due to an After Market Sprayer Hose. Repaired Faucet by Installing a New Aerator
				06/10/2013			30841		

Total

227.84

Form Information

ProntoForm Name: **Transition Inspection S.F.R.**
Submitter Name: David Haas (dhaas@ernstandhaas.com)
Submission Date: Jun 11, 2013 5:48:37 PM PDT
Reference Number: 20130612-186184261

Information

Date & Time	Jun 11, 2013 8:29:00 PM PDT
Address	5723 Yearling St. Lakewood Ca
Unit #	N/A
General Comments	Property was found to be in overall excellent condition with only minor maintenance defects. Tenant was home at the time of the inspection and was cooperative. A new MTM rental agreement was executed with all current terms remaining unchanged. Based on the location, condition and size of the home, area comparable homes place the Fair Rent Value to be at or near \$1800.00/mo. Given the length of tenancy, condition that the home is being maintained and the use of the property, it is recommended that a modest increase of 2-4% be implemented within the next 60 days.

Property Photo:

Inspection as follows.



Lot and Landscaping

Trees/Shrubs/lawn Condition
Comments

Needs Service
Front Lawn well maintained. Rear Yard currently under construction
Poor

Driveway/Parking

Comments	Driveway is asphalt and has un-even surfaces. This could pose a slip or trip hazard.
Garage Condition	Good
Comments	Clean. Remote tested good. Side door key tested good.
Picture descriptions	Tenant has undertaken significant repairs to the rear yard. Work appears to have been started several months ago and the tenant has indicated that he intends to complete the work within the next couple of weeks. It is recommended that a LOA be sent to the tenant approving the work and setting a time limit for completion.
Building Exterior	
Comments	Good Condition from View
Exterior Paint/stucco	Good
Comments	Minor Stucco Repairs needed at rear and at corner of garage
Gutters and Components	Good
Doors	Needs Repair
Comments	Side Garaged door and frame badly deteriorated. Repair or replacement recommended
Gates and Fences	Good
Sidewalks/Walkway Condition	Good

Applicable Pictures



Living / Dinning Room

Exterior Doors

Comments

Wall Condition

Comments

Comments

Condition of Windows

Window Screens

Lighting

Closet Space

Applicable Pictures

Good

Keys Tested Good.

Good

Tenant has painted th walls green

Carpet is in good condition

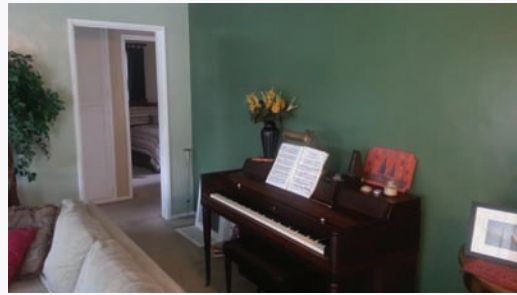
Good

Good

Good

Good





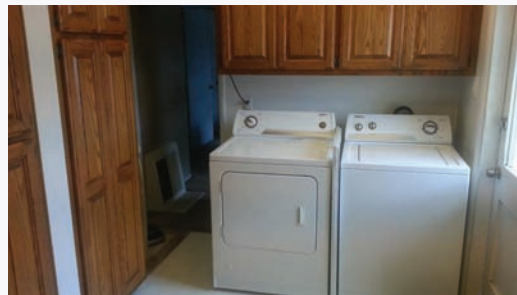
Hallway

Wall Condition Good
 Flooring/Carpet Good
 Interior Doors Good
 Lighting Good
 Closet Space Good

Kitchen

Cabinets Good
 Counter tops Good
 Kitchen Sink Condition Good
 Stove/Range Condition Needs Repair
 Comments Mircrowave unit attached to stove is not functioning. Tenant has requested approval to remove stove.

Refrigerator Condition Needs Repair
 Kitchen Lighting Good
 Water Supply Pressure/Flow Rate Normal
 Drainage Rate Normal
 Door Condition Good
 Kitchen Walls Good
 Kitchen Flooring Good
 Applicable Pictures



Bedroom 1

Wall Condition Good
 Flooring/Carpet Good
 Interior Doors Good

Condition of Windows
Comments
Window Screens
Lighting
Closet Space
Applicable Pictures

Good
tenant has painted walls
Good
Good
Good



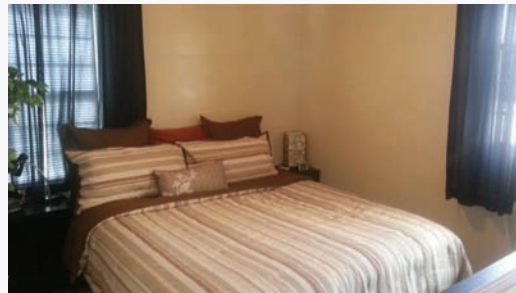
Bedroom 2

Wall Condition
Comments

Recommend Painting
Tenant indicated that mildew periodically is found on the north side wall. Upon inspection found paint peeling from moisture. Recommend prime and paint north side wall and to remove the AC from window.

Flooring/Carpet
Interior Doors
Condition of Windows
Window Screens
Lighting
Closet Space
Applicable Pictures

Good
Good
Good
Good
Good
Good



Bedroom 5

Wall Condition
Flooring/Carpet

Good
Good

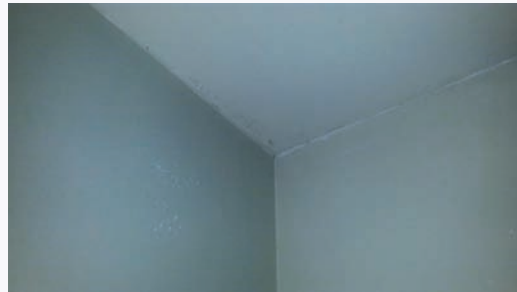
Bathroom 1

Bathroom Sink Condition
Bathtub/Shower Conditon

Good
Good

Toilet Condition	Good
Bathroom Ventilation(Fan)	Recommend Installing new Fan
Comments	Signs of excessive moisture in bathroom. Recommend installation of an exhaust vent fan.
Bathroom Electrical Receptacles	Good
Bathroom Lighting	Good
Water Supply Pressure/Flow Rate	Normal
Drainage Rate	Normal
Door Condition	Good
Floors Condition	Needs Repair
Comments	Evidence of a water leak at the base of the toilet. Linoleum is water damaged. Subfloor feels secure.
Walls Condition	Recommend Painting
Comments	Paint is peeling and shows signs of excessive moisture. Prime and paint is strongly recommended
Vanity Condition	Good
Bath Accessories	Good





General Safety

Fire Hazards

Smoke detectors

Carbon Monoxide detectors

Comments

Report Information

Supervisor Name

Date & Time

None

Good

Missing

Install ASAP

David L. Haas

Jun 11, 2013 8:46:00 PM PDT

Form Information

ProntoForm Name: **Field Inspection**
Submitter Name: Jeannine Riley (jriley@ernstandhaas.com)
Submission Date: May 29, 2013 11:40:53 AM PDT
Reference Number: 20130529-185955355

Routine Inspection

Date
Address:
Inspection circumstances
What Prompted Inspection
Pictures:

May 29, 2013 11:39:00 AM PDT
5817 Dashwood
Exterior Only
Routine Monthly



Action Needed

No Action

Important Note: This inspection report notes observed condition at the time of the inspection and is not intended as a detailed physical inspection report. For further information or questions please contact Ernst & Haas Management Co. at 562.989.9835

Quarterly Newsletter

Ernst & Haas Management Co., Inc. Newsletter

4th Quarter 2012

"Leading The Way Home"

Volume 12, Issue 4

Inside this issue:

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ERNST & HAAS MANAGEMENT CO. HOSTS 2ND ANNUAL CAREER DAY



By Ernst & Haas Management Co.

On July 20, Ernst & Haas hosted its 2nd Annual Career Day, welcoming 13 kids between the ages of 5 and 16 to come and learn all about having a career in property management.

The morning kicked off with a tour of the office, where the kids got to meet the Ernst & Haas staff and learn about each department and position. They particularly enjoyed chatting with our Broker David Haas, where they asked him all sorts of questions about owning your own business and the pros and cons of being your own boss.

The morning continued with the first art project of the day, allowing the kids to dip their hands in paint and create the art piece pictured above. Our vendor JD Custom Home Builders did a wonderful job providing us with

the wood piece for this project.

Dewey Pest Control, another one of our vendors, came by and brought some critters along (dead, of course) for the kids to look at and learn about. They couldn't stop buzzing about the different insects they saw!

They then learned all about "going green" and how that's a priority at Ernst & Haas, and went on to create two art projects made from reusable materials.

The day ended with a pizza party, where each child was able to spend some time with the staff member that brought them.

Overall, it was a very fun, successful day of educating the youth about our field and why it's great to have a career in property management!



Spark of Love Toy Drive

Ernst & Haas will be collecting new, unwrapped toys to donate to the Spark of Love Toy Drive hosted by the Long Beach Fire Department. If you would like to make a donation, please bring it to our office between November 26 and December 21!

SMART PHONES AND QR CODES PARTNER WITH RENTLY IN SHOWING VACANCIES

By Sal Lopez, Property Supervisor

One of the most challenging tasks as a property supervisor is showing a vacancy on a consistent basis. Sometimes it's difficult accommodating everyone and their schedules in an effort to show a particular property. But there's no need to worry—Rently is here!

Rently is a new showing lock-box equipped with advanced wireless technology that allows property supervisors to show properties by two means:

(1) Controlled Showing Feature: Using the controlled showing feature, property supervisors can obtain a prospect's information over the phone, collecting their name, contact number, and credit card information—all before giving the prospect a one-day access code used for

entry.

(2) Automated Showing Feature: Using the automated showing feature, prospects scan a QR code located on the rental sign with their smart phone. The code then takes them to step-by-step directions on how to check-in and check-out of the property. The prospects are then asked to input their credit card information and are charged a \$0.99 viewing fee. Because verification is location based, the code to enter the unit is only issued when the prospect is physically at the property.

Once a prospect has the code to enter the unit, they are more than welcome to use that code as many times as they want within a 24-hour period. After that 24 hours is up, the prospect would have to pay another

\$0.99 to access a new code. Additionally, prospects can view any of the vacant units equipped with Rently daily from 8 a.m.-8 p.m.

So far, Rently has really proven to be a success for our rentals here at Ernst & Haas. In addition to saving property supervisors the frustration of no-show appointments and the cost of gas going to and from a unit, Rently also serves as a convenient, instant-gratification method for those that are at the property wanting to see the unit at that very moment. Rently also helps weed out prospects, as those that spend the \$0.99 are obviously serious about seeing and renting the unit.

Overall, Rently is a great product and we are looking forward to using it more!

PREPARING YOUR PROPERTY FOR WINTER: WHY ROUTINE MAINTENANCE MATTERS

By Lorenzo Alatorre, Maintenance Supervisor

One of the most crucial aspects to managing any property is making sure the maintenance of the property is up to date and meeting health standards. At Ernst & Haas, we receive maintenance requests for anything and everything from broken ceiling fans, to clogged kitchen sinks, to insect infestations.

Part of our protocol, however, requires that tenants put their maintenance requests in writing. This is a recent change, as we used to take requests over the phone. But in an effort to minimize any miscommunication, we now ask tenants to submit their requests in writing, whether by email, at our office, or through our website. Unless it is an emergency, we require a written request before sending a vendor out for repairs.

With that being said, maintenance requests will start shifting from

air conditioning issues to heating issues, as the season changes. Other concerns for this fall and winter will be in regards to roofing, rain gutters, and weather stripping. As property owners, it is important to recognize the needs of each season and how you can get a head start before a problem arises.

Here are some maintenance items you should consider looking in to before winter sets in:

- **Tune Up the Heating System:** For a minimal charge, vendors can go out to a property and inspect its heating system to confirm that it is up and running properly. If not, they can determine what repairs need to be made and make those repairs when allowed. Additionally, heating inspections also help measure carbon-monoxide.

- **Hit the Roof:** Look for dam-

aged, loose or missing shingles that may leak during a winter storm. If need be, shingles can be replaced, or whole sections of the roof can be replaced. These options are helpful, especially if the whole roof does not need to be replaced.

- **Caulk Around Windows and Doors:** If the gaps between siding and window or door frames are bigger than the width of a nickel, exterior caulk should be reapplied. Joints in window and door frames should be checked too.

- **Clean the Gutters:** If a property's gutters are full, water can back up against the house and damage roofing, siding, and wood trim.

As winter comes our way, take some time to go over your property's maintenance with your supervisor—it will save you time and frustration in the end!

Carbon Monoxide Detectors

In January 2011, California Legislature signed into law a bill that requires all multi-family residences to have carbon monoxide (CO) devices installed by January 1, 2013. Ernst & Haas is working hard to make sure this deadline is being met. But why is CO such a big deal? Here are some facts:

-CO is an odorless, colorless gas that can cause sudden illness and death.

-CO is found in combustion fumes, such as those produced by cars and trucks, small gasoline engines, stoves, lanterns, burning charcoal and wood, and gas ranges and heating systems.

-CO from the sources listed above can build up in enclosed or semi-enclosed spaces and can cause CO poisoning to people and animals breathing it in.

-Common symptoms of CO poisoning are headache, dizziness, weakness, nausea, vomiting, chest pain, and confusion. High levels of CO inhalation can cause loss of consciousness and death.

-Unless suspected, CO poisoning can be difficult to diagnose because the symptoms mimic other illnesses.



PRE-APPROVALS PROVE TO BE AN EFFICIENT APPLICATION PROCESS

By Margarita Roque, Administrative Assistant

Finding a good tenant is not as easy as it sounds. This process takes a dedicated amount of time from the leasing department, which makes an effort in keeping the overall process as short as possible—while still focusing on making sure the applicant qualifies.

Because of the volume of applications we have been receiving—both online and in person—we have recently put into action a new way of processing applications. Once an application is received, I make sure the applicant income qualifies, has no pets (if the property does not allow them), and that the number of occupants do not exceed the allotted amount for that particular unit. If everything looks good, then I run the credit check. I also run an eviction check, criminal scan, and background check. Once those are cleared, I pass the application onto Solita Heng, our Leasing Coordinator.

Next, Solita reviews the application and decides whether or not the application is pre-approved. If pre-approved, the application gets handed to Natasha Maahs, Assistant to the Leasing Coordinator. Natasha then contacts the applicant and informs them of their pre-approved status, meaning the applicant can bring in a security deposit to take the property off the market and hold it for up to 10 days.

Once an applicant is pre-approved and the security deposit has been put down, Natasha continues to process the application, which usually takes 2-3 business days. If a negative rental reference or employment verification is received during the completion of the application process, then Natasha calls the applicant and denies their application. If the applicant already put down a deposit, then we refund their deposit and put the property back on the market right away. If the application receives no negative references and meets our overall cri-

teria then the application is “Final Approved”.

Not all applications will be pre-approved. Based on a conditional credit score, some applications will be processed under a standard procedure. These applications are still processed within 2-3 business days and once the process is complete, they are handed over to Solita for an overall review and final decision of “approved” or “denied”.

When pre-approving, the leasing department at Ernst & Haas strives to contact the applicant the same day their credit score is ran in order to give them an application status right away. Because this is done on the same day, the process helps prevent losing potential tenants, as they may look elsewhere while waiting to hear about the status of their application. The process also helps motivate the applicant to assist us in retrieving rental and employment verifications as it can sometimes be a daunting task trying to get in touch with employers and landlords. Lastly, the process benefits the property owner as the property gets rented sooner.

As a reminder, all applicants must meet the following requirements in order to rent with Ernst & Haas: (1) No evictions or collections from a management company or landlord; (2) Monthly income must be two-and-a-half times the amount of rent; (3) Credit score must be a 620 or higher without any negative trade lines (a score between 580-619 will be *considered*); (4) Rental and employment verifications must be positive; and (5) No felonies on background check.

If you have any questions or concerns regarding our pre-approval application process or application requirements, please feel free to contact our leasing department. We are here to make sure you have the best tenants living in your unit!



Ernst & Haas MANAGEMENT

4000 Long Beach Blvd.
Suite 105
Long Beach, CA 90807

www.ernstandhaas.com

dhaas@ernstandhaas.com

Tel. (562) 989-9835 ext. 317

Fax (562) 989-9166

DRE# 01126617

Mon.-Fri. 8:30 a.m.—5 p.m.

Sat. 9 a.m.—2 p.m.

IMPORTANT 4th QUARTER DATES TO REMEMBER

**October 31—Owner
reports sent out**

**November 22—Office
closed in observance of
Thanksgiving**

**November 30—Owner
reports sent out**

**December 25—Office closed
in observance of Christmas**

**December 31—Owner
reports sent out**



Message from the Broker

Happy Fall! The year is steadily speeding by and Fall is already here! As expected, it was a very busy summer with a tremendous amount of rental activity in the 3rd Quarter. As far as the numbers are concerned, we were able to maintain a very consistent vacancy factor of below two percent for most of the summer and were also able to maintain our average vacancy period of less than 20 days.

We have also been adding new features to our website and deploying new technologies such as Rently (read more about Rently on Page 2) to increase the speed and convenience of showing vacant property to prospective tenants, which has helped keep the vacancy period down and the showing numbers high.

Looking forward into the Fall, we expect a moderate decrease in overall activity as we move closer to the holiday season, which will also allow us to put our focus towards existing residents and servicing their needs.

Another surprise this year has been the number of residents using our online Tenant Portal for rent payments, maintenance requests, and day-to-day correspondence. Nearly 65 percent of our residents are registered in our system and use the portal on a regular basis. The portal has been a great tool in improving the service our residents receive as they have 24-hour access and quicker responses to their requests and/or concerns.

Something I wanted to be sure to review is owner disbursements and reporting. To recap our accounting procedures, our office follows a traditional accounting cycle whereby we collect all income (rents) beginning the first of the calendar month. These rents are then deposited into the property owner's trust account and used to offset any property expenses, which are incurred throughout the operating month. Finally, on the last business day of each month, we issue all financial reports and client disbursements. Please keep in mind that the actual date may vary from month to month, as some months end on a weekend or holiday. In this case, the month is closed early, on the last business day. Monetary disbursements are deposited early in the morning on this day, and reports are sent electronically later that afternoon. A client may request an early draw at any time during the month, however absent any request, the normal accounting cycle is followed.

From all of us at Ernst & Haas, we hope you have a very happy holiday season and look forward to updating you again at the beginning of the year. And as always, thank you for choosing Ernst & Haas Management and never hesitate to contact me directly with any questions or concerns. I may be reached by email at dhaas@ernstandhaas.com, or by phone at (562) 989-9835 x317 (office) or (562)762-6049 (cell).

~David L. Haas

Follow Us On:



Visit Our Blog @ www.ernstandhaasblog.com

Tenant Related Forms

Ernst & Haas MANAGEMENT

4000 Long Beach Blvd., Ste. 105, Long Beach, CA 90807

Phone: (562) 989-9835 Fax: (562) 989-9166

www.ErnstandHaas.com

(Revised 09/2012)

Application Process

Thank you for considering a property offered by Ernst & Haas Management Company Inc. The application process is really quite simple and quick normally taking 2-3 business days to process. You will be notified either by mail and/or telephone as to the approval status of your application and you may request a copy of your credit report at any time regardless of approval status. Any questions regarding your credit report must be addressed to the credit bureaus directly. Please make sure all information on the application is completed IN FULL. If there is a section or line that does not apply to you, please indicate by N/A.

In order to insure timely processing of your application please remit the following:

- One completed application for each person over 18 yrs. of age.**
- Original Driver's license or State ID, or two other forms of picture identification.**
- Original Social Security Card or Supporting Documents**
- Proof of income (e.g. 2 recent pay stubs, S.S.I/Disability, retirement, AFDC, etc.)**
- \$25.00 application fee (No personal checks) per application. (This is a non-refundable administration charge to cover the costs of processing each application)**
- Housing Voucher, if Section 8 applicant.**

Once you are approved, you will be informed of the total amount required to move in: (1st month's rent and deposit). Both must be made payable as a money order or cashier's check. **NO CASH OR PERSONAL CHECKS ARE ACCEPTED FOR MOVE-IN OR DEPOSIT.** All payments must be made payable to Ernst & Haas Management Co., Inc.

- All applications are processed in the order received. The applicant who is first to pay the application fee, remits all the required documents, qualifies, and pays the required move-in charges after approval will be selected. We continue to process all applications submitted until deposit is received by applicant.
- Once an applicant is approved; the applicant may place a "hold" deposit on the property to reserve the property for up to 10 days. The hold deposit shall be equivalent to the daily rent value of the Property.
- Neither the management office nor an on-site manager shall accept any deposits from an applicant until the applicant has been qualified and approved by the management office.
- Applicants may not store any items or stay in the residence until the full deposit and rent has been received.
- Management company shall not hold a residence for an applicant until all required deposit have been received and an offer to rent has been signed by the applicant and the management office.
- Copies of all documents submitted shall be retained by the management office for a period of 5 years.

Selection Criteria

The following qualifications will be applied to all applications:

- Rent cannot exceed 40% of monthly gross income. The income must be legal and verifiable (e.g. Pay stubs, tax return forms 1099 or 1040, AFDC Action letter, Court order for spousal or child support, Retirement deposit statement), or other documentation as determined verifiable and approved by the management office.
- Occupancy guidelines set by Fair Housing will be followed. No more than 2 persons per bedroom and one additional occupant shall occupy any residence.
- **Any false information provided on a rental application will result in disqualification of applicant.**

Credit:

- Credit score (FICO) must be no less than 620 for standard approval. Applicants with a credit score of 580-619 may be *conditionally approved*.
- If the score rates “N/A” and no negative trade lines or collections have been reported, then the applicant may be *conditionally approved*.
- If the score rates “No subject Found” and all other information is verifiable, the application may be *conditionally approved*.
- If the credit score is less than 580, the application will not be approved.
- Ernst & Haas will consider applications with a Fico Score between 550-579 on a case-by-case basis. While approval is not guaranteed, we will take all supplied information and proof into consideration in reviewing the application for possible approval.

Rental Reference:

- Tenancy verifications will be made for all residencies within the past 5 years.
- If applicant receives a derogatory rental reference, the application will not be approved.
- If tenancy verification results in home ownership, the loan or mortgage must be reflected on the credit report as a positive credit rating.
- If a tenancy results in home ownership without a mortgage, proof of ownership must be provided by way of Grant deed, tax records or escrow closing papers.
- If applicant has rented or lived with relatives, proof of residency must be established with corresponding ID card, Driver’s License, pay stubs, or credit report.

Evictions:

- NO EVICTIONS OR COLLECTIONS from a management company or landlord. If an applicant has been evicted or has a collection account from a previous landlord, the application will not be approved.

Employment:

- If applicant receives non verifiable income because no pay stubs are given, applicant may be *conditionally approved*.
- If the income is unverifiable because the applicant is newly hired with no pay stubs to date, a letter on a company letterhead must be supplied by the employer indicating monthly salary and start date.
- If employment or income cannot be verified then a guarantor is required.
- If rent exceeds 30% of income, applicant may be *conditionally approved*.

*****Conditional Approval*****

If an applicant has been conditionally approved, the following conditions must be met:

- A double deposit must be given prior to move in, or guarantor (co-signer) may be used, at the discretion of the office management. The guarantor must have satisfactory rental and employment references. Guarantor must have a credit score (Fico) of 620 or greater and rent should not exceed 40% of monthly gross income.
- The guarantor must submit an application along with the following: ID, Social Security card, 2 proofs of income, and pay the application fee.

Section 8

- Participant’s portion of rent shall not exceed 40% of total household income.
- All other applicant criteria shall apply.
- All section 8 applicants must be approved by the property owner.

I have read, understand, and agree to the above terms.

Signature

Date

Application to Rent

Please completely fill out this application and use black ink.

Check box only if you are applying as a Co-Signer.

General Information

Apt No. _____ Located at _____
How did you hear about the rental? _____
Last Name _____ First _____ Middle _____
Phone _____ Mobile _____
Social Security # _____ Driver's License and State _____
Date of Birth _____ Email Address _____

LIST ALL ADDITIONAL OCCUPANTS WHO WILL RESIDE IN UNIT

Name _____ Date of Birth _____
Name _____ Date of Birth _____
Name _____ Date of Birth _____

Residential History (Past 5 Years)

Current Address _____ City/Zip _____
How Long: From(Month/Year) _____ to _____ Reason for leaving _____
Owner/Manager _____ Tel _____ Rent Paid _____
Self Owned _____

Previous Address _____ City/Zip _____
How Long: From(Month/Year) _____ to _____ Reason for leaving _____
Owner/Manager _____ Tel _____ Rent Paid _____
Self Owned _____

Second Previous Address _____ City/Zip _____
How Long: From(Month/Year) _____ to _____ Reason for leaving _____
Owner/Manager _____ Tel _____ Rent Paid _____
Self Owned _____

Employment Information

Company Name _____ Address _____
Phone _____ Occupation _____ Gross Monthly Salary _____
Name of Supervisor _____ Dates of Employment _____ to _____

Company Name _____ Address _____
Phone _____ Occupation _____ Gross Monthly Salary _____
Name of Supervisor _____ Dates of Employment _____ to _____

Additional Information

1. Do you receive any other source of income? Yes _____ No _____ Source _____ Amount _____
2. Have you ever been evicted for non-payment of rent or for any other reason? Yes _____ No _____
3. Have you ever filed bankruptcy? Yes _____ No _____ Discharge date? _____
4. Have you ever been convicted of a felony? Yes _____ No _____ Explain _____
5. Do you have any pets? _____ If yes, how many _____ Breed _____
6. Will you be using any water filled furniture? Yes _____ No _____

Banking Information

Name of Bank _____ Branch or Address _____
Checking _____ Approx Bal _____
Name of Bank _____ Branch or Address _____
Checking _____ Approx Bal _____

Credit References (Credit Cards/Car Payments/Other Loans)

Company Name _____ Address _____
Acct # _____ Present Balance _____
Company Name _____ Address _____
Acct # _____ Present Balance _____

Personal References

Name _____ Address _____
Phone # _____ Time Known _____ Relationship _____
Name _____ Address _____
Phone # _____ Time Known _____ Relationship _____

Emergency Contact (Cannot Be Co-Applicant)

Name _____ Address _____
Phone # _____ Time Known _____ Relationship _____

Vehicles

Year _____ Make _____ Model _____ Color _____ Lic. _____
Year _____ Make _____ Model _____ Color _____ Lic. _____

Applicant represents that all of the above statements are true and correct and hereby authorizes that their verification including, but not limited to, the obtaining a credit report and agrees to furnish additional credit references on request. Owner/agent is authorized to obtain a credit report now and in the future.

In connection with my application for rental and/or employment, I understand that background inquiries will be made on myself including consumer, criminal, driving and other reports. Employment reports may include information as to my character, work habits, performance and experience along with reasons for termination of past employments from previous employers. I understand that information will be requested from various federal, state and other agencies and entities, public and private, which maintain records concerning my past activities relating to driving, credit, criminal, civil and other experiences as well as claims involving me in insurance company files.

I authorized, without reservation, any party or agency contacted, to furnish completely and without limitation, any and all of the above mentioned information and any other information related thereto. Further, I will release from all liability and hold harmless all requesters and appliers of information in accordance herewith.

The undersigned makes application to rent housing accommodation designated for the amount and location as set forth above and upon approval of this application agrees to sign a rental or lease agreement and to pay all sums due, including requested deposits before occupancy.

Signed _____ Date _____

Application Processing Form

The information herein contained is confidential and shall not be released to anyone including the subject of this report. All information is intended for legitimate purposes as defined in the fair credit-reporting act.

Date: _____ Time: _____ Intake by: _____

Last Name: _____ First: _____ Middle Initial: _____

SS#: _____ D.O.B: _____ Driver/ID#: _____ State _____

Address: _____ City: _____ State _____ Zip: _____ Phone # _____

Co-applicants/s: _____ # of minors _____

Application Fee received \$ _____

Property: _____

Guarantor used: _____

Employment Verification History

Full time Y N Verified By: _____ Full Time Y N Verified By: _____

Start date Y N Position: _____ Start date Y N Position: _____

Salary Correct Y N Comments _____ Salary Correct Y N Comments _____

Answer as _____ Answer as _____

Business Y N _____ Business Y N _____

Rental Verification History

1st Address: _____ 2nd Address: _____ 3rd Address _____

Rent paid on time Y N	Rent paid on time Y N	Rent paid on time Y N
Length of tenancy Y N	Length of tenancy Y N	Length of tenancy Y N
30 Day notice Y N	30 Day notice Y N	30 Day notice Y N
Would you rent to tenant again Y N	Would you rent to tenant again Y N	Would you rent to tenant again Y N
NSF _____ # of people _____	NSF _____ # of people _____	NSF _____ # of people _____
Verified by:	Verified by:	Verified by:

Required Documents	<input type="checkbox"/> Driver's License/ID	Public Records Y N	Evictions Y N	Telecheck Code Y N	Credit Score _____
	<input type="checkbox"/> Social Security Card	App. Approved Y N	Date Notified _____	(Letter/Verbal) Combined _____	
	<input type="checkbox"/> Pay Stubs <input type="checkbox"/> Other	<input type="checkbox"/> Did not complete processing. Received deposit from an approved applicant			
	<input type="checkbox"/> Sec. 8 Voucher	Double deposit Y N	Co-signer Y N	Move in special Y N	Pets Y N Cat ___ Dog ___

FIXED TERM RESIDENTIAL LEASE AGREEMENT

THIS AGREEMENT, entered into this _____ day of _____, _____ by and between Ernst and Haas Management Co., Inc. as Agent for Owner hereinafter called Landlord, and

_____	_____	_____
Full Name	Birth date	Social Security Number
_____	_____	_____
Full Name	Birth date	Social Security Number
_____	_____	_____
Full Name	Birth date	Social Security Number
_____	_____	_____
Full Name	Birth date	Social Security Number

Hereinafter called Resident(s): hereby rents from Landlord, those certain premises located at:

_____, in the city of _____,
California, including _____ (garage, parking space, etc).

NO ADDITIONAL PERSON SHALL OCCUPY SAID PREMISES, OR ANY PART THEREOF, WITHOUT LANDLORD'S PRIOR WRITTEN CONSENT ENDORSED HEREON.

This Agreement is conditional upon, and subject to the following:

- 1. TERM-** The term of this Agreement is for a period of _____ months and _____ days thereafter expiring on _____/_____/_____, (the expiration date). Renewal of the term shall be as described in paragraph 12.
- 2. RENT-** Resident shall pay monthly rent of \$_____ payable in advance to Ernst and Haas Management Co., Inc. on the 1st day of each month, unless changed by notice as hereinafter provided. (Should the term commence on a day other than the 1st, Resident shall pay a prorated amount of \$_____ for the second month's rent). Rent payments shall be made by the following method(s): **Certified Funds, Check or ACH** delivered to Ernst and Haas Management Co., Inc., 4000 Long Beach Blvd. Suite 105 Long Beach, CA 90807 Monday through Friday from 8:30 am to 5:00 pm and Saturday from 9:00 am to 2:00 pm. Failure of Resident to pay the rent or other charges due hereunder or to comply with any of the covenants or conditions herein contained shall, at Landlord's option, forthwith terminate this Lease and Resident's rights therein as provided by law. "AS REQUIRED BY LAW, YOU ARE HEREBY NOTIFIED THAT A NEGATIVE CREDIT REPORT REFLECTING ON YOUR CREDIT RECORD MAY BE SUBMITTED TO A CREDIT REPORTING AGENCY IF YOU FAIL TO FULLFILL THE TERMS OF YOUR CREDIT OBLIGATIONS" California Civil Code 1785.26(c) (2).

3. LATE CHARGE - Resident acknowledges that the Landlord will incur certain administrative costs in connection with late rental payment, and that the amount of such administrative costs would be difficult or impracticable to ascertain. If Resident fails to pay rent in full by close of business on the 5th day of the month rent is due, Resident shall pay a late charge of **6%** as additional rent. If Landlord elects to accept rent after the late charge is incurred, payment in a form other than by personal check may be required. Landlord does not

Resident(s) initials _____

waive the right to insist on payment of rent in full on the day it is due. In the event Resident's check is dishonored by the bank, Resident shall pay a returned check charge of \$25 as additional rent. A late charge will be imposed if the returned check causes the rent to be late. Landlord may require future payments to be in a form other than a personal check in the event of a returned check.

4. SECURITY DEPOSIT - Resident shall deposit with Landlord, as a Security Deposit, \$_____, as security for performance of the Agreement. (Total of all deposits not to exceed two (2) month's rent for an unfurnished or three (3) months for furnished unit.) **At no time shall any portion of this deposit be considered as an advance payment of rent, including last month's rent, nor shall it to be used or refunded prior to leased premises being completely vacated by all Residents.** After the premises are completely vacant, Landlord shall furnish the Resident with an itemized written statement of the basis for and the amount of, any security withheld and shall return any remaining portion of such security to the Resident within twenty-one (21) days pursuant to California Civil Code 1950.5. The parties incorporate the pre-move out inspection checklist herein by reference. Resident shall be entitled to a pre move out inspection upon request no sooner than 10 days prior to the last day of residency and no later than the termination of the term.

5. UTILITIES - Resident shall pay for all utilities, services and charges, if any except: _____.

6. USE AND OCCUPANCY - Resident agrees to use and maintain the premises as follows:

- A. Solely for private residential purposes for the Residents listed herein, for a total of _____ occupants, and by no other persons without prior written consent of the Landlord.
- B. Resident agrees not to violate any law, statute, or ordinance, nor to commit, suffer or permit any waste, or nuisance in, on, or about the said premises, or in any way to annoy, molest or interfere with any other Resident or occupants of the building, nor to use in a wasteful or unreasonable or hazardous manner any of the utilities furnished by Landlord, not to maintain any mechanical, electrical; or other appliance or device operated by any said utilities except as herein listed and specifically approved by Landlord in writing.
- C. Resident agrees not to alter the premises whatsoever without Landlord's express permission in writing and agrees to return said premises to the landlord in the same condition as it was received except ordinary wear and tear. To the extent permitted by law, any repairs initiated by Resident must be performed by Landlord approved vendors. Written list will be provided upon request. Invoice and proof of payment for work performed must be provided to Landlord within seven (7) days of work completion.
- D. Resident shall be responsible for maintaining the cleanliness of the unit, including window coverings, and carpets if applicable. Resident agrees to keep the premises in good repair and free from trash and unsightly material, and to immediately notify Landlord in writing of any defects or dangerous conditions in or about the premises. Resident shall reimburse Landlord for the cost to repair damage by Resident through misuse or neglect.

7. ASSIGNMENT AND SUBLETTING - Resident may not assign all or any portion of the Agreement nor shall Resident sublet all or any portion of the premises. Any attempt at assignment or subletting shall be void and an irremediable breach of this Agreement.

8. PETS, WATER FILLED FURNITURE AND SATELLITE DISHES - Resident agrees that he/ she will not, without Landlord's express consent in writing endorsed hereon, bring upon, keep, maintain or permit to be kept or maintained, in, on, or upon the premises any dog, cat, bird, or other animal/pet. Resident agrees he/she will not, without Landlord's express consent in writing endorsed hereon, bring upon, keep, maintain, or permit to

Resident(s) initials _____

be kept or maintained, in, on, or upon the premises any waterbeds, aquariums, or liquid-filled furniture as provided under California Civil Code 1940.5. Neither antennae nor satellite dish shall be installed on or about the premises without the prior written consent of the Landlord.

9. RIGHT OF ENTRY - Landlord reserves the right to himself or his agent to enter said premises in case of emergency, to make necessary or agreed repairs, decorations, alterations or improvements, supplying necessary or agreed services or exhibit the dwelling to prospective purchasers, mortgagees, Residents, workmen or contractors or when any Resident has abandoned or surrendered the premises or pursuant court order. Except in cases of emergency or abandonment, entry will be made during normal business hours and Landlord shall give the Resident reasonable notice of intent to enter premises of no less than 24 hours pursuant to California Civil Code 1954. **Resident agrees not to change any lock or locking device to said premises without the prior written consent of the Landlord, but Resident will, upon demands, furnish Landlord with the keys for the purpose of making duplicates thereof.** Upon demand by Landlord, Resident shall temporarily vacate the premises for a reasonable period to allow pest or vermin control work done. Resident shall comply with all instructions, forthwith, from pest controller, fumigator and/ or exterminator regarding the preparation of the premises for the work, including the proper bagging and storage of food, perishables and medicine.

10. INJURY, LOSS OR DAMAGE - Landlord shall not be liable or responsible in any way for injury to any person, or for loss of, or damage to, any article belonging to Resident located in said premises, or other premises under control of Landlord. No right of storage is given by this Agreement. Landlord shall not be liable for non-delivery or mis-delivery of messages nor shall Landlord be liable for and this Agreement shall not be terminated by reason of any interruption of, or interference with, services or accommodation due Resident, caused by strike, riot, orders of public authorities, acts of other Residents, accident, the making of necessary repairs to the building of which said premises are a part, or any other cause beyond Landlord's control. Resident agrees to indemnify and hold Landlord harmless from all liability from any such injury, loss or damage.

IT IS UNDERSTOOD BY RESIDENT AND ALL PARTIES THAT RESIDENT'S PERSONAL BELONGINGS ARE NOT INSURED BY LANDLORD AND THAT RESIDENT SHOULD INSURE ALL PERSONAL PROPERTY WITH A RENTERS INSURANCE POLICY.

11. JOINT AND SEVERAL LIABILITY - The undersigned Resident(s) whether or not in actual possession of premises, are jointly and severally liable for all rent incurred during the term of this Agreement, and for all damages to the demised premises caused or permitted by Resident, their guests and invitees. Any breach or abandonment by any one or more of the Residents shall not terminate the Agreement nor shall it relieve the remaining Resident from fulfilling the terms of the Agreement. Service of notices on one Resident shall constitute service on all Residents.

12. TERMINATION AND AMENDMENTS - Said residency shall automatically convert to a month-to-month residency upon the expiration date of the fixed term in paragraph 1 above. Either party may terminate the fixed term lease on or after the expiration date by giving the other thirty (30) days notice of termination in writing pursuant to California Civil Code 1946. This Agreement may be modified with thirty (30) days notice in writing after the expiration of the initial term. If Agreement exceeds 12 months, (60) sixty days notice in writing is required after the expiration of the initial term. For a rent increase: **(a)** If the amount of the increase, when added to all other increase during the prior 12 months, is 10% or less of the lowest rent charged during the prior 12 months, Landlord may serve a 30-day rent increase notice; **(b)** If the amount of the increase, when added to all other increases during the prior 12 months, exceeds 10% of the lowest rent charged during

Resident(s) initials _____

the prior 12-months, Landlord must serve a 60-day rent increase notice. In either case if the notices are served by mail, the effective date of the rent increase is extended an additional 5 days.

13. WAIVER - Waiver by Landlord of a breach of any covenant of this Agreement will not be constructed to be a continuing waiver of any subsequent breach. Landlord's receipt of rent with knowledge of Resident's violation of a covenant does not waive his rights to enforce any covenant of this Agreement. The invalidity or partial invalidity of any provision of the Agreement shall not render the remainder of the Agreement invalid or unenforceable.

14. ATTORNEY'S FEES - If any legal action or proceeding is brought by either party to enforce any part of this Agreement, the prevailing party shall recover, in addition to all other relief, actual attorney's fees and costs pursuant to California Civil Code 1717. **Each party shall bear their own attorney's fees and costs.**

15. SMOKE DETECTOR AND CARBON MONOXIDE DETECTOR - The premises are equipped with Smoke Detection device(s) and Carbon Monoxide Detection device(s) and:

A. Resident acknowledges that the Smoke Detector(s) and Carbon Monoxide Detector(s) were tested and its operation explained by Landlord in the presence of the Resident at the time of the initial occupancy and that the Smoke Detector(s) and Carbon Monoxide Detector(s) were in proper working order at the time.

B. Each Resident shall perform the Manufacturer's recommended test to determine if the Smoke Detector(s) and Carbon Monoxide Detector(s) is/are operating properly at least once a week.

C. RESIDENT INITIAL ONLY IF BATTERY OPERATED: By initialing as provided, each Resident understands that said Smoke Detector(s) and Carbon Monoxide Detector(s) and Alarm is a battery operated unit and it shall be each Resident's responsibility to:

1. Ensure that the battery is in operating condition at all times,
2. Replace the battery as needed (unless otherwise provided by law),
3. If, after replacing the battery, the Smoke Detector(s) or Carbon Monoxide Detector(s) do not work, inform the Landlord immediately in writing.
4. Resident must inform the Landlord immediately, in writing, of any defect malfunction or failure of any detector(s).
5. If local law requires the Landlord to test the Smoke Detector(s) and Carbon Monoxide Detector(s), the Resident shall allow the Landlord access to the premises for that purpose.

16. _____ INITIAL and complete this section only if premises were built before 1978:

LEAD WARNING STATEMENT

Housing built before 1978 may contain lead-based paint. Lead from paint, paint chips and dust can pose health hazards if not managed properly. Lead exposure is especially harmful to young children and pregnant women. Before renting pre-1978 housing, Landlords must disclose the presence of lead-based paint and/or lead based paint hazards in the dwelling. Renters must also receive a federally approved pamphlet on lead poisoning prevention.

LANDLORD'S DISCLOSURE (initial where appropriate)

_____ INITIAL - Landlord has no knowledge of lead-based paint and/or lead-based paint hazards in the premises. Landlord has no reports or records pertaining to lead-based paint and/ or lead-based paint hazards in the premises, or

_____ INITIAL - Landlord has knowledge of lead-based paint and/ or lead based paint hazards that are present in the premises and has provided the Resident with all available records and reports pertaining to lead-based paint and/ or lead based paint hazards in the premises. The following documents have been provided:

Resident(s) initials _____

RESIDENT'S ACKNOWLEDGEMENT

____ INITIAL - Resident has received a copy of the pamphlet "Protect Your Family from Lead in Your Home" and copies of documents listed above, if any. Resident agrees to promptly notify Landlord of any deteriorated and/ or peeling paint.

17. ____ INITIAL - MOLD AND MILDEW STATEMENT - Mold and Mildew may be injurious to one's health and if moisture is allowed to accumulate in the unit, it can cause mildew and mold to grow. Therefore, Resident acknowledges that: **(a)** Resident has inspected the premises, and every part thereof, at the outset of the residency; **(b)** Resident has found no signs of moisture, mold or mildew therein; **(c)** Resident shall **(I)** keep the premises well ventilated, clean and dry any signs of mold or mildew from all surfaces, **(II)** promptly notify Landlord of any dampness from leaks, overflows, water intrusion, etc., and **(III)** promptly notify Landlord of any malfunction of ventilation, air conditioning or heating systems. Resident shall be liable for any injuries or damages that may result from any negligent performance of the foregoing duties.

18. ____ INITIAL - ASBESTOS DISCLOSURE - The California Asbestos Notification Act requires Landlords with more than 10 employees of structure built before 1979 to notify Resident and their employees and contractors of any knowledge they may have regarding any asbestos-containing construction materials ("ACM"). In that regard, note that while Landlord is not specifically aware of any ACM in the premises, it is possible that given that age of the building, ACM may be present. Accordingly, as a precaution, Resident hereby agrees to not, under any circumstances to disturb or remove acoustic ceilings or flooring material, not to sand, cut or otherwise abrade dry wall material, and not to drill into fire doors or remove door knobs. California Health & Safety Code section 25249.6 requires that notice be provided to persons warning that they may be exposed to chemicals known in the State to cause cancer. Asbestos is one of those chemicals. Assuming Resident's compliance with the precautionary measures described above, however, Landlord has no reason to believe that any person on the premises is exposed to significant risk levels. The notice provided in this paragraph is accordingly provided to Resident merely to comply with the technical notification requirements.

19. ATTACHMENTS: By initialing as provided, Resident acknowledges receipt of only those indicated attachments, copy(s) of which is/are attached hereto, and are incorporated herein as though fully set forth at length. Each Resident should initial to the right of the marked attachment.

- | | | |
|---|--|--|
| <input checked="" type="checkbox"/> Rules and Regs _____ | <input type="checkbox"/> Pet Addendum _____ | <input type="checkbox"/> Garage Addendum _____ |
| <input checked="" type="checkbox"/> Move in Report (electronic) _____ | <input type="checkbox"/> Liquid Filled _____ | <input type="checkbox"/> Satellite Dish _____ |
| <input checked="" type="checkbox"/> Pest Control Disclosure _____ | <input type="checkbox"/> Pool Rules & Regs _____ | <input type="checkbox"/> Addendum _____ |
| | <input type="checkbox"/> Guarantor Agreement _____ | |

20. AGENT FOR SERVICE OF PROCESS - For purpose of service of process and receipt of notices, the Resident may contact: Ernst and Haas Management Co., Inc., 4000 Long Beach Blvd. Suite 105 Long Beach, CA 90807 Phone: (562) 989-9835

NOTICE: Pursuant to Section 290.46 of the Penal Code, information about specified registered sex offenders is made available to the public via an Internet Website maintained by the Department of Justice at

Resident(s) initials _____

www.meganslaw.ca.gov. Depending on an offender's criminal history, this information will include either the address at which the offender resides or the community of residence and ZIP Code in which he or she resides. The undersigned Resident(s) acknowledges having read and understood the foregoing, and receipt of a duplicate original.

Landlord

Resident's Signature Date

Ernst and Haas Management as Landlord's
Agent

Resident's Signature Date

Date

Resident's Signature Date

Resident's Signature Date

SAMPLE

RULES AND REGULATIONS ADDENDUM

A. GENERAL

1. This Agreement is an Addendum and incorporated by reference into the Rental Agreement between Landlord and Resident.
2. Landlord may adopt new rules and regulations or amendments to those rules upon giving thirty (30) days notice in writing. These rules and any changes or amendments have a legitimate purpose and are not intended to be arbitrary or work as a substantial modification of Resident's rights. They will be equally enforced. Resident is responsible for the conduct of all guests and the adherence to these rules and regulations at all times.

B. POLICIES AGAINST CRIMINAL ACTIVITY

IN CONSIDERATION of their mutual promises, Landlord and Resident agree as follows:

1. Resident, any member of Resident's household, or any guest or other person under Resident's control, shall not engage in criminal activity, including but not limited to drug-related criminal activity, on or near the said premises. "Drug-related activity" means the illegal manufacture, sale, distribution, use or possession with intent to manufacture, sell, distribute, or use a controlled substance.
2. Resident, any member of Resident's household, or any guest or other person under Resident's control, shall not engage in any act intended to facilitate criminal activity, including drug-related criminal activity, on or near said premises.
3. Resident, any member of Resident's household, or any guest or other person under Resident's control, will not permit dwelling unit to be used for or to facilitate criminal activity, including but not limited to drug related criminal activity, regardless of whether the individual engaging in such activity is a member of the household or a guest.
4. Resident, any member of Resident's household, or any guest or other person under Resident's control, shall not engage in the unlawful manufacturing, selling, using, storing, keeping or giving of a controlled substances at any location, whether on or near the dwelling unit premises or otherwise.
5. Resident, any member of Resident's household, or any guest or other person under Resident's control, shall not engage in any illegal activity, including prostitution, criminal street gang activity, threatening or intimidating assault, including but not limited to the unlawful discharge or firearms, on or near the dwelling unit premises, or any breach of the Rental Agreement that otherwise jeopardizes the health, safety and/ or welfare of the Landlord, his agent, or other Resident, or involving imminent serious property damage.
6. **VIOLATION OF ANY OF THE ABOVE PROVISIONS SHALL BE A MATERIAL AND IRREPARABLE VIOLATION OF THE RENTAL AGREEMENT AND GOOD CAUSE FOR TERMINATION OF RESIDENCY.** A single violation of any provisions of the Addendum shall be deemed a serious violation and a material and irreparable non-compliance and shall be good cause for immediate termination of the residency. Unless otherwise prohibited by law, proof of violation shall not require criminal conviction, but shall be by preponderance of the evidence.
7. In case of conflict between the provisions of this Addendum and any other provisions of the Rental Agreement, the provisions of the Addendum shall govern.

C. NOISE AND CONDUCT

Resident(s) initials _____

1. Resident shall not make or allow any disturbing noises in the unit by Resident, family or guests, nor permit anything by such persons that will interfere with the rights, comforts or conveniences of other persons.
2. Resident shall ensure that all musical instruments, television sets, stereos, radios, etc., are played at a volume which will not disturb other persons or Residents.
3. Resident is responsible for the activities and conduct of Resident, occupants of their unit and their guests, including behavior within their unit, outside of the unit, on the common grounds, parking areas, or any recreation facilities. The activities and conduct of Resident and Resident's guests shall not annoy or disturb other persons or Resident.
4. No lounging, visiting or loud talking that may be disturbing to other Residents will be allowed in the common areas between the hours of 10:00 p.m. and 7:00 a.m.
5. Resident agrees not to interfere with management staff in the performance of their duties.

D. CLEANLINESS AND TRASH

1. The unit must be kept clean, sanitary and free from objectionable odors at all times.
2. Resident shall assist management in keeping the outside and common areas clean.
3. Resident shall not permit the littering of papers, cigarette butts or trash in and around the unit.
4. Resident shall ensure that no trash or other materials are accumulated which will cause a hazard or be in violation of any health, fire or safety ordinance or regulation.
5. Resident shall ensure that garbage is placed inside the containers provided and lids should not be slammed. Garbage should not be allowed to accumulate and should be placed in the outside containers on a daily basis. Items too large to fit in the trash containers should not be placed adjacent to the containers. Resident shall not dispose of any combustible or hazardous material in trash containers or bins. Such items will be deemed to be a nuisance and must be disposed of properly by the Resident in accordance with state and local laws.
6. Resident may not leave items in the hallways or other common areas. All furniture must be kept inside the unit. Unsightly items must be kept out of vision.
7. Clothing, curtains, rugs, etc., shall not be shaken or hung outside of any window, ledge, or balcony.

E. SAFETY

1. Security is the responsibility of each Resident. Landlord assumes no responsibility or liability, unless otherwise provided by law, for Residents' and guests' safety, or for injury or damage caused by the criminal acts of other persons. Landlord does not provide private protection services for Resident.
2. Resident shall ensure that all doors are locked during Resident's absence.
3. Resident shall ensure that all appliances be turned off before leaving the unit.
4. When leaving for an extended period, Resident shall notify Landlord how long Resident will be away.
5. Prior to any planned absence, Resident shall give Landlord authority to allow entry into unit to any person or provide Landlord with the name of any person or entity permitted by Resident to enter unit.
6. The use or storage of gasoline, cleaning solvent or other combustibles in the unit is prohibited.
7. Resident shall ensure that no personal belongings, including bicycles, play equipment or other items, are left in the halls, stairways, or about the buildings unattended.

F. MAINTENANCE, REPAIRS AND ALTERATIONS

1. Resident shall advise Landlord, in writing, of any items requiring repair. Notification should be

Resident(s) initials _____

immediate in an emergency or, for normal problems, within business hours. Repair requests should be made as soon as the defect is noted.

2. Service requests must be made in writing, addressed and delivered to Landlord, and not directly to maintenance personnel.
3. Resident shall make no alterations or improvements without the written consent of Landlord, including painting or wallpaper, shelving or flooring. Any article attached to the woodwork, walls, floors or ceilings shall be the sole responsibility of the Resident. Resident shall be liable for any repairs necessary during or after residency to restore premises to the original condition. Glue or tape shall not be used to affix pictures or decorations.

G. VEHICLES AND PARKING

1. Resident shall only use assigned parking spaces and shall ensure that their guests park only in unassigned areas or designated guest parking at all times, and will not park in another Resident's designated parking space. Vehicles parking in unauthorized areas or in another Resident's space may be towed away at the expense of the vehicle's owner.
2. Inoperable, abandoned, unregistered vehicles or vehicles leaking fluids are subject to tow pursuant to California Vehicle Code section 22658.
3. All vehicles on the premises must be operational, registered, insured and free from leaking fluids. There shall be no vehicle repairs or maintenance performed, nor any washing of vehicles, on or about the premises.
4. No Resident shall keep, maintain or allow to remain on the premises for a period in excess of seven (7) days, any non-working, inoperable or non-functioning vehicle of any kind. The parties agree that the presence of any such vehicle on the premises for a period in excess of seven (7) days shall constitute a nuisance within the provisions of California Civil Code section 3479 and may, at Landlord's option, be the basis for terminating the residency herein.
5. Garages, if provided, are to be used for the parking of operable, registered vehicles only and not for the storage of other personal property.

H. OTHER

1. All Resident related maintenance problems which have been determined to be caused by the Resident at their neglect shall be billed to Resident by the management office and must be paid within 10 days of receipt of said billing. Plumbing stoppages within direct Resident line not caused by main-line or other unit back-up shall be the responsibility of the Resident. Costs of repair or clearance of stoppages in waste pipes or drains, water pipes or plumbing fixtures caused by Resident is the responsibility of the Resident. Payment for corrective action must be paid immediately by Resident upon demand by Landlord.
2. **Stoves and refrigerators and all other appliances are considered courtesy items and not mandatory to the rental or the unit. Landlord shall have the option to repair, replace or remove any appliance that is in need of repair.**
3. Any maintenance request of a non-emergency nature will require a written request completed and sent to the office or the on site manager as designated by Landlord.
4. Carpets and drapes within the unit are the Resident's responsibility to maintain the cleanliness of and cannot be deducted from the rent during the term of the residency.
5. If a premise is a single family residence, Resident shall be responsible for maintaining all exterior lawn,

Resident(s) initials _____

shrubs, landscaping, and plants. This includes, watering, trimming, weeding, cleaning and normal maintenance. If Resident fails to maintain exterior landscaping, Landlord shall have the option to contact landscaping services. Resident shall be responsible for all charges which shall be considered additional rent.

(_____) (_____) *Resident's initial if applicable.*

I. SECURITY DEPOSITS

The money Resident paid as a **deposit is a deposit only and may not be used as last month's rent.** It is refundable under the following terms and conditions:

1. The property must be in the same clean conditions as when the Resident took possession.
2. After the initial term of the residency expires, a written **THIRTY (30) DAY NOTICE** of intent to vacate must be signed and received in our office by all parties vacating the premises.
3. The last month's rent must be paid in full, with Resident's account cleared of any debts or charges accumulated during the residency term.
4. Resident must allow Landlord to show the premises should someone become interested in seeing it during the term of the residency term.
5. Resident's keys must be received by all parties vacating the premises directly in our business office the final day of your residency.
6. Landlord will inspect the premises and refund all deposits within twenty one (21) days from the day all keys have been received in our office. An itemized list of accounting for any money deducted will be included with all refunds as applicable.

J. PROCEDURE FOR RENT COLLECTION

1. All rents must be made payable to **Ernst & Haas Management Co., Inc.**, and may be paid Online, sent by mail or delivered in person during normal business hours of 8:00 am to 5:00 pm, Monday through Friday and 9:00 am to 2:00 pm on Saturday at 4000 Long Beach Blvd. Suite 105, Long Beach, CA 90807, or as directed by Landlord.
2. Total Rent is due and payable in our office on or before the 1st day of each month. Any rent received after the 5th day of each month, Resident shall incur a 6% late fee as additional rent. Late rent requires payment with late fee to be accepted. All payments received may be first applied to late fees, NSF Fees and then to rent.
3. Any personal check which is returned unpaid for any reason, Resident will be charged \$25.00 for the returned item and a 6% late fee if replacement check is not received prior to close of business on the 5th day of the month. All payments received may first be applied to late fees and returned check fees and then towards past due rent. Personal checks will not be re-deposited or accepted for payment for delinquent rent. Once a check has been returned unpaid, all rent must be made payable by Money Order or Cashier's Check.
4. First month's rent and security deposits must be paid by money order or cashier's check. **Cash is not accepted in the office at any time.**
5. In the event of a delinquent rent, a 3-day pay or quit notice will be issued and in the event of an Unlawful Detainer, Landlord may report the action to credit reporting agencies.

K. POLICY AND PROCEDURE FOR EARLY TERMINATION OF RENTAL AGREEMENT

Resident(s) initials _____

1. Resident remains responsible for all rent obligations until an acceptable Resident is qualified for the premises and a new lease is executed.
2. Landlord places advertisements for the property at the Resident's expense.
3. Resident will be responsible for all leasing fees and costs.

L. OTHER TERMS

1. It is understood that the premises is to be used exclusively for residential purposes. Retail or commercial use is prohibited.
2. **LOCKS:** Once installed, an approved lock may not be removed even when the unit is vacated. Keys to the premises are the exclusive property of the Landlord. Resident shall not consign keys to the premises to any other person without Landlord's written consent. In the event that any keys to the premises are lost, Resident shall be liable for the entire cost of all key and lock replacement, at the discretion of the Landlord, as required for the security of the premises, the building and its occupants. All keys must be returned to the Landlord when the Resident vacates, SUCH RETURN SHALL DESIGNATE THE ACTUAL DATE AND TIME OF TERMINATION OF RESIDENCY. Resident shall be charged for the cost of new locks and keys if all keys are not returned. Resident should take care not to lock themselves out of their apartments. If Landlord is required to assist any Resident in gaining entry to Resident's apartment, between the hours of 9:00 am – 5:00 pm, the Landlord will charge Resident \$35.00 for each successive lockout. Between the hours of 5:00 pm – 9:00 am, we do not offer this service.
3. **WAIVER/JURY TRIAL:** Landlord and Resident hereby waive their respective right to trial by jury of any cause of action, claim, or counterclaim or cross-complaint in any action, proceeding and/or hearing brought about by either the Landlord against the Resident or the Resident against the Landlord any matter whatsoever arising out of, or in any way connected with this lease, the relationship of Landlord and Resident, Resident's use or occupancy of the premises, or any claim of injury or damage, or the enforcement of any remedy under any law, statute, or regulation, emergency, or otherwise, now or hereafter in effect.
4. **HOLDING OVER:** Resident agrees to vacate the premises by 5:00 PM on the last day of the term of residency. Should the Resident fail to vacate by such time the hold-over shall be presumed to be willful and deliberate and Landlord shall be entitled to damages for the hold-over period, plus such other expenses incurred due to breach of this condition of the Agreement.
5. **ENTRY:** Resident understands that the Landlord has the legal right to enter the premises after giving twenty-four hour notice, or sooner with the Resident's permission or in an emergency.
6. **PAYMENTS:** Resident agrees that all monies paid to Landlord may be credited to Resident's account in the following order; first, to any outstanding Resident charges (i.e. returned check fees, repair bills, attorney fees, etc.); second, to late fees; and last to rent.
7. **TERMINATION:** Resident's notice to terminate must be in writing, and is effective thirty days after receipt by Landlord subject to paragraph 12 of the rental agreement. It is understood by all individuals named as Resident(s) in this rental agreement that they are jointly and severally responsible for all aspects of the rental agreement, including rent, and will remain responsible until all individuals have vacated the premises and keys are returned to Landlord. No portion of the deposit will be returned until all Residents have vacated the property and keys returned.
8. **DEPOSITS:** Resident understands and agrees that the security deposit will not be applied toward any portion of the Resident's final month's rent. Resident is responsible for paying rent to the day of departure and agrees to leave the premise in a clean and rentable condition. A move out inspection will be completed after Resident has completely vacated the unit and returned the keys. Resident agrees to pay for all damages incurred during their residency, and to pay for the cost incurred in preparing and

Resident(s) initials _____

cleaning the unit for a new Resident. Normal wear and tear is not to be interpreted as permission to not clean a unit at termination of residency. Resident agrees to pay all costs for interior painting and touch up painting should the Resident decide to move out during the course of the lease period.

9. **INFORMATION RELEASE:** Resident hereby gives permission to Landlord to release information relating their residency by telephone to any party that requests such information.

M. MAINTENANCE

Responsibility for day-to-day maintenance will be borne by the responsible party according to the following schedule:

LANDLORD'S RESPONSIBILITY -

1. Maintain building systems in a satisfactory condition such as the roof, supply plumbing, the drains outside of the unit's walls (unless damage or stoppage is caused by the resident).

RESIDENT'S RESPONSIBILITY -

1. Repair window and glass damage unless caused by broken, worn sash cord, or by act of God, such as an earthquake.
2. Drain stoppage in pipes from the plumbing fixture to the outside wall unless defective plumbing parts or improper installation causes the problem.
3. Cleaning of mildew or mold from walls and ceilings unless caused by external water leaks.
4. Repair of wall damage or other damage caused by abuse or misuse of the premises.
5. Repair or replacement of locks and/or keys. At all times resident shall ensure that the Landlord/manager is provided with all the keys to premises.
6. Resident is to use stove, refrigerator, and all appliances only for the purpose they were designed for, and is responsible to maintain all appliances in normal working order during the term of the residency, excepting normal wear and tear.
7. Resident agrees to inform Landlord immediately of the need for any repair. If Resident neglects to do this, Resident agrees to pay for the repairs and any extra damage resulting from the delayed reporting of a problem. If a repair or service call is the result of Resident negligence or abuse, Resident agrees to pay all costs incurred. Resident is responsible to make sure that others do not cause damage to the property.

BED BUG DISCLOSURE AND INSTRUCTIONS

1. **Purpose.** This addendum addresses situations related to bed bugs (cimex lectularious).
2. **Inspection.** The Landlord has inspected the Premises prior to Resident's move-in and Landlord did not observe any evidence of bed bugs or bed bug infestation. Resident agrees that they have inspected the Premises prior to move-in and did not observe any evidence of bed bug infestation.
3. **Resident's Responsibilities -**
 - A. **Notify** - Resident must notify Landlord:
 - (I) Of any known or suspected bed bug infestation or presence in the Premises, or in any clothing, furniture or personal property.
 - (II) If Resident discovers any condition or evidence that might indicate the presence or infestation of bed bugs, or of any confirmation of bed bug presence by a licensed pest control professional or other authoritative source.
 - (III) Of any maintenance needs. Bed bugs like cracks, crevices, holes, and other openings.
 - B. **Clean Housing** - Residents have an important role in preventing bed bugs. While the existence of bed

Resident(s) initials _____

bug is not always related to personal cleanliness or housekeeping, good housekeeping will help control the problem by identifying bed bugs, minimizing an infestation, and restraining its spread. Bed bugs like clutter, dark, concealed places, such as in and around piles of clothing, shoes, stuffed animals, laundry, especially under the bed and in closets. Bed bugs know no social and economic bounds; claims to the contrary are false.

- C. **Cover Mattress and Box Springs** - Resident should cover mattress and box springs with zippered covers that are impermeable to bed bugs. These are relatively inexpensive, and can prevent bed bugs from getting inside the mattress. The covers also prevent any bugs inside from getting out; they will eventually die inside the sealed cover (though this could take up to 18 months).
- D. **Inspect Secondhand Furnishings** - Resident shall avoid using secondhand or rental furnishings, particularly beds and mattresses. Used items are often infested with bed bugs. If Resident must use rented or second hand items, inspect them carefully, and never accept any item that shows signs of bed bugs. Resident shall not bring discarded items from the curbside into the Premises.
- E. **Traveling** - Because humans serve as bed bugs' main mode of transportation, it is extremely important to be mindful of bed bugs when away from home. Experts agree that the spread of bed bugs across all regions of the United States is largely attributed to an increase international travel and trade. Travelers are, therefore, encouraged to take a few minutes upon arriving at their temporary destination to thoroughly inspect their accommodations, to ensure that any bed bugs are detected before the decision is made to unpack.
- F. **Cooperate** - If Landlord confirms the presence or infestation of bed bugs, resident must cooperate and coordinate with Landlord and Landlord's pest control agents to treat and eliminate the bed bugs. Resident must follow all directions from Landlord to clean and treat the dwelling and building that are infested. Resident agrees to remove or destroy personal property that cannot be treated or cleaned. If Landlord confirms the presence or infestation of bed bugs in your Premises, Landlord has the right to require Resident to temporarily vacate the Premises and remove all furniture, clothing, and personal belongings in order for Landlord to perform pest control services. If Resident fails to cooperate with Landlord, Resident will be in default, and Landlord will have the right to terminate Resident's rental agreement.
- G. **Transfers** - If Landlord allows Resident to transfer to another premises in the apartment complex, Resident's personal property and possessions must be treated according to accepted treatment methods or procedures established by a licensed pest control professional. Prior to moving into another premise, the Resident must provide proof of such cleaning and treatment to Landlord's satisfaction.
- 4. **Indemnification** - Resident agrees to indemnify and hold harmless Landlord from any actions, claims, losses, damages and expenses including, but not limited to, attorney's fees that the Landlord may sustain or incur as a result of the negligence of the Resident or any guest or other person living in, occupying, or using the premises.
- 5. In case of conflict between the provisions of this addendum and any other provisions of the rental agreement, the provisions of the addendum shall govern.

Information Regarding Bed Bugs - Bed bugs, with a typical lifespan of 6 to 12 months, are wingless, flat, broadly oval-shaped insects. Capable of reaching the size of an apple seed at full growth, bed bugs are distinguishable by their reddish-brown-color, although after feeding on the blood of humans and warm-blooded animals- their sole source of food- the bugs assume a distinctly blood-red hue until digestion is complete.

Bed bugs don't discriminate - Bed bugs' increased presence across the United States in recent decades can be attributed largely to a surge in international travel and trade. It is no surprise then that bed bugs have been

Resident(s) initials _____

found time and time again to have taken up residence in some of the fanciest hotels and apartments buildings in some of the nation's most expensive neighborhoods. Nonetheless, false claims that associate bed bugs' presence with poor hygiene and un-cleanliness have caused apartment Residents, out of shame, to avoid notifying Landlords of their presence. This serves only to enable the spread of bed bugs.

Bed bugs do NOT transmit disease. There exists no scientific evidence that bed bugs carry disease. In fact, federal agencies tasked with addressing pests of public health concern, namely the US Environmental Protection Agency and Centers for Disease Control and Prevention, have refused to elevate bugs to the threat level posed by disease carrying pests. Again, claims associating bed bugs with disease are false.

Bed bugs Do's and Don'ts

***Do not bring used furniture from unknown sources into your apartment.** Countless bed bug infestations have stemmed directly from the introduction into a resident's unit of secondhand and abandoned furniture. Unless the determination can be made with absolute certainty that piece of secondhand furniture is bed bug free, Resident should assume that the nice looking furniture is infested with bed bugs.

***Do address bed bug sightings immediately.** Residents who suspect the presence of bed bugs in their unit must immediately notify their Landlord.

***Do not attempt to treat bed bug infestations yourself.** Under no circumstances should Resident attempt to eradicate bed bugs. Health hazards associated with the misapplication of traditional and non-traditional, chemical -based insecticides and pesticides poses too great a risk to you and your neighbors.

***Do comply with Pest Control.** If the determination is made that your unit is indeed host to bed bugs, you must comply with the bed bug pest control set forth by both your Landlord and their designated pest management company.

TOBACCO SMOKE-FREE AREAS

- A. Purpose:** The parties desire to mitigate **(I)** the irritation and known health effects of secondhand smoke; **(II)** the increased maintenance, cleaning, and redecorating costs from smoking; **(III)** the increased risk of fire from smoking; and **(IV)** the high costs of fire insurance for properties where smoking is permitted. Smoking of Tobacco products is prohibited on the entire property, including individual units, common areas, every building and adjoining grounds.
- B. Promotion of No-Smoking Policy:** Resident shall inform his or her guest of the Smoke- Free Rule. Resident shall promptly notify Landlord in writing of any incident where tobacco smoke is migrating into Resident's unit from sources outside of Resident's Unit.
- C. Landlord Not Guarantor of Smoke-Free Environment:** Resident acknowledges that Landlord's adoption of Smoke- Free Policy, does not make the Landlord the guarantor of the Resident's health or of the smoke-free condition of the property. However, Landlord shall take reasonable steps to enforce this addendum.
- D. Other Residents Are Third Party Beneficiaries of this Addendum:** Landlord and resident agree that the other Residents of the property are the third party beneficiaries of this addendum. A Resident that sues another Resident to enforce this Addendum shall not create a presumption that the Landlord has breached this Addendum.
- E. Effect of Breach:** A breach of this Addendum by the Resident shall be deemed a material breach of the Rental/Lease Agreement and grounds for immediate termination of the Rental/Lease Agreement by the Landlord.
- F. Disclaimer:** Resident acknowledges that this Addendum and Landlord's efforts to designate Smoke-Free Areas do not in any way change the standard of care that the Landlord would have to any Resident household to render buildings and premises designated as smoke free any safer, more habitable, or improved in terms of air quality that any other rental premises. Landlord specifically

Resident(s) initials _____

disclaims any implied or express warranties that the building common areas or Resident's premises will have any higher or improved air quality standards than any other rental property. Landlord cannot and does not warrant or promise that the Rental Premises or any other portion of the property including common areas will be free from secondhand smoke. Resident acknowledges that Landlord's ability to police, monitor or enforce this Addendum is dependent in significant part on voluntary compliance by Resident and Resident's guests.

- G. Effect on Current Resident:** Resident acknowledges that current Residents of the rental community under a prior Rental/Lease Agreement will not be immediately subject to the terms of this Addendum. As Residents move out, or enter into new Rental/Lease Agreements, this Addendum will become effective for their unit or new agreement.

SATELLITE DISH AND/OR ANTENNAS

IN CONSIDERATION of their mutual promises, Landlord and Resident agree as follows:

- A.** The Resident acknowledges that they do not have a right to receive a signal.
- B.** This Addendum shall set forth Resident's rights and obligations respecting the installation, maintenance and removal of one (1) satellite dish and/ or antenna within the rented premises.
- C.** The satellite dish and/or antenna may not exceed one meter (39 inches) in diameter.
- D.** The satellite dish and/or antenna may only be placed on a balcony, railing or patio totally within the premises being rented. Resident may **Not** install the dish on any outside wall, roof, windowsill, common area balcony or stairwell, or any other common area not under the exclusive control of the Resident.
- E.** Resident may not put holes in any wall, roof, railing or glass for purpose of installation or hook up.
- F.** The satellite dish and/ or antenna may not protrude or extend beyond the balcony railing line or patio edge.
- G.** Landlord reserves the right to prohibit installation if the satellite dish and/ or antenna is unable to receive signals due to the geographical orientation of the rented premises (i.e. not oriented toward the south) and/ or if the satellite dish and/ or antenna poses a safety concern, all as determined by Landlord's sole discretion.
- H.** Resident hereby agrees to indemnify Landlord, its employee's agents, representatives, successors and assigns for any and all claims resulting from Residents' installation, removal, maintenance and/ or use of the satellite dish and/ or antenna. Resident assumes full and complete responsibility for any personal injury (including death) or physical damage caused by the satellite dish and/or antenna or its installation, removal, maintenance and/or use.
- I.** Prior to Resident installing the dish and/ or antenna, Resident agrees to obtain general liability insurance in an amount no less than \$500,000.00 to fully cover any claims which may be made by Landlord and/or third parties as a result of damage or injury caused by the satellite dish and/or antenna, their installation, removal, maintenance and/or use. The insurance policy must name Landlord as an additional insured and a copy of the insurance policy and evidence of the payment of the required premium shall be provided to Landlord prior to installation of the satellite dish and/or antenna.
- J.** Landlord recommends that Resident obtain the services of a professional installer to properly install and connect the satellite dish and/or antenna. Resident covenants and agrees that no hole in the premises will be made for the purpose of wiring and further that Resident shall not splice or connect the satellite dish and/or antenna to existing wiring.
- K.** Failure of Resident to abide by the provisions of this Addendum, including but not limited to, the failure of Resident to post and maintain the above security deposit and/or the general liability insurance required hereunder shall be deemed a material default of the Rental Agreement, and Landlord, in

Resident(s) initials _____

addition to all of its rights and remedies under the Rental Agreement, at law and/ or in equity, shall be permitted to remove the satellite dish and/ or antenna at Resident’s sole cost and expense.

- L. Resident right to install and maintain the equipment contemplated herein is subject to revocation in the event Federal, State or Local law which provides such right is revoked, changed or in any way modified in such a manner that does not require Landlord to permit such maintenance or installment of such equipment.

Landlord

Resident’s Signature Date

Ernst and Haas Management as Landlord’s Agent

Resident’s Signature Date

Date

Resident’s Signature Date

Resident’s Signature Date

SAMPLE

PET ADDENDUM

THIS Agreement is an Addendum to and part of the Rental Agreement dated _____ between
Landlord and Resident with reference to the property located at: _____.

IN CONSIDERATION of their mutual promises, Landlord and Resident agree as follows:

1. The Rental Agreement prohibits any pets in or around the premises without Landlord's prior written consent.
2. Feeding or otherwise caring for stray animals is not permitted.
3. All cats, dogs, and rabbits that are approved as Pets by Landlord must be spayed or neutered by six (6) months of age.
4. Resident(s) desires to keep the below-described pet, hereinafter referred to as "Pet".
NAME: _____ BREED: _____ AGE: _____
HEIGHT: _____ WEIGHT: _____ Date of Last Vaccination (copy attached): _____
4. As a special security deposit, Resident(s) agrees to pay Landlord the sum of \$ _____ (receipt of which is hereby acknowledged). Landlord may use therefrom such amount as is reasonably necessary to take care of any damages or cleaning caused by or in connection with or necessary capture of said Pet. At the termination of this Agreement, any balance shall be added to the existing Rental Agreement security deposit, and disbursed thereafter as required under California Civil Code 1950.5. **(Total of all deposits shall not exceed two months rent for unfurnished units nor three months rent for furnished units.)**
5. Resident(s) agrees to comply with all local, state and federal Health & Safety Codes and community House Rules.
6. Resident(s) represents that the Pet is quiet and "housebroken" and will not cause any damage or annoy other residents.
7. Resident(s) agrees that the Pet will not be permitted outside the Resident's unit, unless restrained by a leash or pet carrier.
8. Resident(s) or any person who walks the Pet is responsible for immediately cleaning up after the Pet and discarding securely bagged pet droppings in the following designated areas only: _____
9. If the Pet is a cat, Resident(s) must provide and maintain an appropriate litter box. If the Pet is a bird, the bird shall not be let out of the cage.
10. If the Pet is a fish, the water container shall not exceed _____ gallons and be placed in a safe location in the rental unit.
11. No Pet shall be fed on unprotected carpeting within the rental unit. Resident(s) shall prevent any fleas or other infestation caused by the Pet and shall reimburse Landlord for any necessary reparation efforts.
12. Resident(s) shall not permit the Pet to cause any damage, discomfort, annoyance, nuisance or in any way to inconvenience, or cause complaints, from any other resident(s).
13. Resident will provide adequate and regular veterinary care, as well as ample food and water, and will not leave Pet unattended for any undue length of time. Resident will diligently maintain cleanliness of litter boxes, as well as the Pet's sleeping and feeding areas. Resident(s) will prevent Pet from creating excessive noise, or engaging in any behavior, at a level that disturbs other residents or neighbors, including, but not limited to, barking, crying, jumping, and running.
14. If there is reasonable cause to believe an emergency situation exists with respect to the Pet, and if efforts to contact Resident(s) or emergency caretaker are unsuccessful, the Landlord may need to

(Continued)

enter the Resident's unit. If it becomes necessary for the pet to be boarded, any and all costs incurred will be the sole responsibility of the Resident(s).

- 15. Resident(s) is responsible for the pets of guests who visit their unit; such pets are subject to the same restrictions as Resident Pets.
- 16. In the event of default by Resident(s) of any of the above terms, Resident(s) agrees, within three days after receiving written notice of default from Landlord, to cure the default or vacate the premises. Resident(s) agrees Landlord may revoke permission to keep said Pet on the premises by giving Resident(s) thirty (30) days notice in writing.
- 17. Resident(s) shall be liable to Landlord for all damages or expenses incurred by or in connection with said Pet, and shall hold Landlord harmless for any and all damages or costs in connection with said Pet.

DATE: _____

Resident

Landlord

Resident

Resident

Resident

SAMPLE

Getting Started

6 Steps to Professional Management

Getting started is easy!

1. Complete the client information and unit information sheets

2. Provide the following items (if applicable) in order to ensure a smooth transition:

- Copies of all recent bills that you may want management to pay, such as mortgage, property tax, insurance, and utilities
- Names and phone numbers of any preferred vendors, including gardening, trash, and laundry
- Resident Manager information (if applicable)
- Rent roll, including:
 - Names, addresses, and phone numbers of all tenants
 - Copies of leases
 - Amount of security deposit, date and amount of last rent raise, balances owed and last rent payment

3. Provide copies of keys, including any storage or laundry rooms

4. Information regarding any pending 3-day notices and/or evictions

- Copies of 3-day notices served
- Name of tenants under eviction, and name and phone number of attorney handling case
- Pending court dates and lock-outs

5. Pending inspections, if any, such as Section 8, SCEP, and Health Department

6. First page of insurance policy, showing coverage and name and phone number of agent

Some of these items may not be necessary or applicable to your particular property. Please check with our office and we will assist you in determining what is needed to get started.

Management Agreement



PROPERTY MANAGEMENT AGREEMENT

(C.A.R. Form PMA, Revised 4/09)

Sample Form ,

("Owner"), and

Ernst and Haas Management Co, Inc.

("Broker"), agree as follows:

1. APPOINTMENT OF BROKER: Owner hereby appoints and grants Broker the exclusive right to rent, lease, operate, and manage the property(ies) known as Sample Form Address, Sample Form City Ca 12345

and any additional property which may later be added to this Agreement ("Property"), upon the terms below, for the period beginning (date) January 1, 2098 and ending (date) December 31, 2099 , at 11:59 PM. (If checked:) [] Either party may terminate this Property Management Agreement ("Agreement") on at least 30 days written notice months after the original commencement date of this Agreement. After the exclusive term expires, this Agreement shall continue as a non-exclusive agreement that either party may terminate by giving at least 30 days written notice to the other.

2. BROKER ACCEPTANCE: Broker accepts the appointment and grant, and agrees to:

- A. Use due diligence in the performance of this Agreement.
B. Furnish the services of its firm for the rental,leasing,operation and management of the Property.

3. AUTHORITY AND POWERS: Owner grants Broker the authority and power, at Owner's expense, to:

- A. ADVERTISING: Display FOR RENT/LEASE and similar signs on the Property and advertise the availability of the Property, or any part thereof, for rental or lease.
B. RENTAL; LEASING: Initiate, sign, renew, modify or cancel rental agreements and leases for the Property, or any part thereof; collect and give receipts for rents, other fees, charges and security deposits. Any lease or rental agreement executed by Broker for Owner shall not exceed 1 year(s) or [] shall be month-to-month. Unless Owner authorizes a lower amount, rent shall be: [x] at market rate; OR [] a minimum of per ; OR [] see attachment.
C. TENANCY TERMINATION: Sign and serve in Owner's name notices that are required or appropriate; commence and prosecute actions to evict tenants; recover possession of the Property in Owner's name; recover rents and other sums due; and, when expedient, settle, compromise and release claims, actions and suits and/or reinstate tenancies.
D. REPAIR; MAINTENANCE: Make, cause to be made, and/or supervise repairs, improvements, alterations and decorations to the Property; purchase, and pay bills for, services and supplies. Broker shall obtain prior approval of Owner for all expenditures over \$ 100.00 for any one item. Prior approval shall not be required for monthly or recurring operating charges or, if in Broker's opinion, emergency expenditures over the maximum are needed to protect the Property or other property(ies) from damage, prevent injury to persons, avoid suspension of necessary services, avoid penalties or fines, or suspension of services to tenants required by a lease or rental agreement or by law, including, but not limited to, maintaining the Property in a condition fit for human habitation as required by Civil Code §§ 1941 and 1941.1 and Health and Safety Code §§ 17920.3 and 17920.10.
E. REPORTS, NOTICES AND SIGNS: Comply with federal, state or local law requiring delivery of reports or notices and/or posting of signs or notices.
F. CONTRACTS; SERVICES: Contract, hire, supervise and/or discharge firms and persons, including utilities, required for the operation and maintenance of the Property. Broker may perform any of Broker's duties through attorneys, agents, employees, or independent contractors and, except for persons working in Broker's firm, shall not be responsible for their acts, omissions, defaults, negligence and/or costs of same.
G. EXPENSE PAYMENTS: Pay expenses and costs for the Property from Owner's funds held by Broker, unless otherwise directed by Owner. Expenses and costs may include, but are not limited to, property management compensation, fees and charges, expenses for goods and services, property taxes and other taxes, Owner's Association dues, assessments, loan payments and insurance premiums.
H. SECURITY DEPOSITS: Receive security deposits from tenants, which deposits shall be [x] given to Owner, or [] placed in Broker's trust account and, if held in Broker's trust account, pay from Owner's funds all interest on tenants' security deposits if required by local law or ordinance. Owner shall be responsible to tenants for return of security deposits and all interest due on security deposits held by Owner.
I. TRUST FUNDS: Deposit all receipts collected for Owner, less any sums properly deducted or disbursed, in a financial institution whose deposits are insured by an agency of the United States government. The funds shall be held in a trust account separate from Broker's personal accounts. Broker shall not be liable in event of bankruptcy or failure of a financial institution.
J. RESERVES: Maintain a reserve in Broker's trust account of \$
K. DISBURSEMENTS: Disburse Owner's funds, held in Broker's trust account, in the following order:
(1) Compensation due Broker under paragraph 6.
(2) All other operating expenses, costs and disbursements payable from Owner's funds held by Broker.
(3) Reserves and security deposits held by Broker.
(4) Balance to Owner.
L. OWNER DISTRIBUTION: Remit funds, if any are available, monthly (or []), to Owner.
M. OWNER STATEMENTS: Render monthly, (or []), statements of receipts, expenses and charges for each Property.
N. BROKER FUNDS: Broker shall not advance Broker's own funds in connection with the Property or this Agreement.
O. KEYSAFE/LOCKBOX: [] (If checked) Owner authorizes the use of a keysafe/lockbox to allow entry into the Property and agrees to sign a keysafe/lockbox addendum (C.A.R. Form KLA).

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PMA REVISED 4/09 (PAGE 1 OF 3)

Owner's Initials () ()
Broker's Initials () ()

Reviewed by Date



PROPERTY MANAGEMENT AGREEMENT (PMA PAGE 1 OF 3)

Agent: David Haas Phone: 562.989.9835 Fax: 562.989.9166 Prepared using WINForms® software
Broker: Ernst 4000 Long Beach Blvd. Long Beach , CA 90807

4. OWNER RESPONSIBILITIES: Owner shall:

- A. Provide all documentation, records and disclosures as required by law or required by Broker to manage and operate the Property, and immediately notify Broker if Owner becomes aware of any change in such documentation, records or disclosures, or any matter affecting the habitability of the Property.
- B. Indemnify, defend and hold harmless Broker, and all persons in Broker's firm, regardless of responsibility, from all costs, expenses, suits, liabilities, damages, attorney fees and claims of every type, including but not limited to those arising out of injury or death of any person, or damage to any real or personal property of any person, including Owner, for: (i) any repairs performed by Owner or by others hired directly by Owner; or (ii) those relating to the management, leasing, rental, security deposits, or operation of the Property by Broker, or any person in Broker's firm, or the performance or exercise of any of the duties, powers or authorities granted to Broker.
- C. Maintain the Property in a condition fit for human habitation as required by Civil Code §§ 1941 and 1941.1 and Health and Safety Code §§ 17920.3 and 17920.10 and other applicable law.
- D. Pay all interest on tenants' security deposits if required by local law or ordinance.
- E. Carry and pay for: (i) public and premises liability insurance in an amount of no less than \$1,000,000; and (ii) property damage and worker's compensation insurance adequate to protect the interests of Owner and Broker. Broker shall be, and Owner authorizes Broker to be, named as an additional insured party on Owner's policies.
- F. Pay any late charges, penalties and/or interest imposed by lenders or other parties for failure to make payment to those parties, if the failure is due to insufficient funds in Broker's trust account available for such payment.
- G. Immediately replace any funds required if there are insufficient funds in Broker's trust account to cover Owner's responsibilities.

5. DISCLOSURE:

A. LEAD-BASED PAINT

(1) The Property was constructed on or after January 1, 1978.

OR (2) The Property was constructed prior to 1978.

(i) Owner has no knowledge of lead-based paint or lead-based paint hazards in the housing except: _____

(ii) Owner has no reports or records pertaining to lead-based paint or lead-based hazards in the housing, except the following, which Owner shall provide to Broker: _____

B. POOL/SPA DRAIN

Any pool or spa on the property does (or, does not) have an approved anti-entrapment drain cover, device or system.

6. COMPENSATION:

A. Owner agrees to pay Broker fees in the amounts indicated below for:

(1) Management: 7% of collected Rent

(2) Renting or Leasing: \$195.00

(3) Evictions: none

(4) Preparing Property for rental or lease: none

(5) Managing Property during extended periods of vacancy: none

(6) An overhead and service fee added to the cost of all work performed by, or at the direction of, Broker: none

(7) Other: none

B. This Agreement does not include providing on-site management services, property sales, refinancing, preparing Property for sale or refinancing, modernization, fire or major damage restoration, rehabilitation, obtaining income tax, accounting or legal advice, representation before public agencies, advising on proposed new construction, debt collection, counseling, attending Owner's Association meetings or _____

If Owner requests Broker to perform services not included in this Agreement, a fee shall be agreed upon before these services are performed.

C. Broker may divide compensation, fees and charges due under this Agreement in any manner acceptable to Broker.

D. Owner further agrees that:

(1) Broker may receive and keep fees and charges from tenants for: (i) requesting an assignment of lease or sublease of the Property; (ii) processing credit applications; (iii) any returned checks and/or if checked) late payments; and (iv) any other services that are not in conflict with this Agreement.

(2) Broker may perform any of Broker's duties, and obtain necessary products and services, through affiliated companies or organizations in which Broker may own an interest. Broker may receive fees, commissions and/or profits from these affiliated companies or organizations. Broker has an ownership interest in the following affiliated companies or organizations: Expert Maintenance Co., Inc.

Broker shall disclose to Owner any other such relationships as they occur. Broker shall not receive any fees, commissions or profits from unaffiliated companies or organizations in the performance of this Agreement, without prior disclosure to Owner.

(3) Other: _____

7. AGENCY RELATIONSHIPS: Broker shall act, and Owner hereby consents to Broker acting, as dual agent for Owner and tenant(s) in any resulting transaction. If the Property includes residential property with one-to-four dwelling units and this Agreement permits a tenancy in excess of one year, Owner acknowledges receipt of the "Disclosure Regarding Agency Relationships" (C.A.R. Form AD). Owner understands that Broker may have or obtain property management agreements on other property, and that potential tenants may consider, make offers on, or lease through Broker, property the same as or similar to Owner's Property. Owner consents to Broker's representation of other owners' properties before, during and after the expiration of this Agreement.

8. NOTICES: Any written notice to Owner or Broker required under this Agreement shall be served by sending such notice by first class mail or other agreed-to delivery method to that party at the address below, or at any different address the parties may later designate for this purpose. Notice shall be deemed received three (3) calendar days after deposit into the United States mail OR _____

Owner's Initials (_____) (_____)

Broker's Initials (_____) (_____)

Reviewed by _____ Date _____



9. DISPUTE RESOLUTION

A. MEDIATION: Owner and Broker agree to mediate any dispute or claim arising between them out of this Agreement, or any resulting transaction before resorting to arbitration or court action, subject to paragraph 9B(2) below. Paragraph 9B(2) below applies whether or not the arbitration provision is initialed. Mediation fees, if any, shall be divided equally among the parties involved. If, for any dispute or claim to which this paragraph applies, any party commences an action based on a dispute or claim to which this paragraph applies, without first attempting to resolve the matter through mediation, or refuses to mediate after a request has been made, then that party shall not be entitled to recover attorney fees, even if they would otherwise be available to that party in any such action. THIS MEDIATION PROVISION APPLIES WHETHER OR NOT THE ARBITRATION PROVISION IS INITIALED.

B. ARBITRATION OF DISPUTES: (1) Owner and Broker agree that any dispute or claim in law or equity arising between them regarding the obligation to pay compensation under this agreement, which is not settled through mediation, shall be decided by neutral, binding arbitration, including and subject to paragraph 9B(2) below. The arbitrator shall be a retired judge or justice, or an attorney with at least 5 years of residential real estate law experience, unless the parties mutually agree to a different arbitrator, who shall render an award in accordance with substantive California Law. The parties shall have the right to discovery in accordance with Code of Civil Procedure § 1283.05. In all other respects, the arbitration shall be conducted in accordance with Title 9 of Part III of the California Code of Civil Procedure. Judgment upon the award of the arbitrator(s) may be entered in any court having jurisdiction. Interpretation of this agreement to arbitrate shall be governed by the Federal Arbitration Act.

(2) EXCLUSIONS FROM MEDIATION AND ARBITRATION: The following matters are excluded from mediation and arbitration hereunder: (i) a judicial or non-judicial foreclosure or other action or proceeding to enforce a deed of trust, mortgage, or installment land sale contract as defined in Civil Code § 2985; (ii) an unlawful detainer action; (iii) the filing or enforcement of a mechanic's lien; and (iv) any matter that is within the jurisdiction of a probate, small claims, or bankruptcy court. The filing of a court action to enable the recording of a notice of pending action, for order of attachment, receivership, injunction, or other provisional remedies, shall not constitute a waiver of the mediation and arbitration provisions.

"NOTICE: BY INITIALING IN THE SPACE BELOW YOU ARE AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION DECIDED BY NEUTRAL ARBITRATION AS PROVIDED BY CALIFORNIA LAW AND YOU ARE GIVING UP ANY RIGHTS YOU MIGHT POSSESS TO HAVE THE DISPUTE LITIGATED IN A COURT OR JURY TRIAL. BY INITIALING IN THE SPACE BELOW YOU ARE GIVING UP YOUR JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS THOSE RIGHTS ARE SPECIFICALLY INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION. IF YOU REFUSE TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, YOU MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE CALIFORNIA CODE OF CIVIL PROCEDURE. YOUR AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY."

"WE HAVE READ AND UNDERSTAND THE FOREGOING AND AGREE TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE 'ARBITRATION OF DISPUTES' PROVISION TO NEUTRAL ARBITRATION."

Owner's Initials _____ / _____ Broker's Initials _____ / _____

10. EQUAL HOUSING OPPORTUNITY: The Property is offered in compliance with federal, state and local anti-discrimination laws.

11. ATTORNEY FEES: In any action, proceeding or arbitration between Owner and Broker regarding the obligation to pay compensation under this Agreement, the prevailing Owner or Broker shall be entitled to reasonable attorney fees and costs from the non-prevailing Owner or Broker, except as provided in paragraph 9A.

12. ADDITIONAL TERMS: Keysafe/Lockbox Addendum (C.A.R. Form KLA); Lead-Based Paint and Lead-Based Paint Hazards Disclosure (C.A.R. Form FLD)

13. TIME OF ESSENCE; ENTIRE CONTRACT; CHANGES: Time is of the essence. All understandings between the parties are incorporated in this Agreement. Its terms are intended by the parties as a final, complete and exclusive expression of their Agreement with respect to its subject matter, and may not be contradicted by evidence of any prior agreement or contemporaneous oral agreement. If any provision of this Agreement is held to be ineffective or invalid, the remaining provisions will nevertheless be given full force and effect. Neither this Agreement nor any provision in it may be extended, amended, modified, altered or changed except in writing. This Agreement and any supplement, addendum or modification, including any copy, may be signed in two or more counterparts, all of which shall constitute one and the same writing.

Owner warrants that Owner is the owner of the Property or has the authority to execute this contract. Owner acknowledges Owner has read, understands, accepts and has received a copy of the Agreement.

Owner _____ Date _____

Owner Sample Form _____
Print Name _____ Social Security/Tax ID # (for tax reporting purposes) _____

Address _____ City _____ State _____ Zip _____

Telephone _____ Fax _____ E-mail _____

Owner _____ Date _____

Owner _____
Print Name _____ Social Security/Tax ID # (for tax reporting purposes) _____

Address _____ City _____ State _____ Zip _____

Telephone _____ Fax _____ E-mail _____

Real Estate Broker (Firm) Ernst and Haas Management Co, Inc. _____ Date _____

By (Agent) _____ DRE Lic. #: _____

Address 4000 Long Beach Blvd. _____ City Long Beach _____ State ca Zip 90807

Telephone (562) 989-9835 _____ Fax 562 989 9166 _____ E-mail DHaas@ErnstandHaas.com

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525 South Virgil Avenue, Los Angeles, California 90020

Reviewed by _____ Date _____



Addendum to Property Management Agreement
Enhanced Reporting and Eviction Protection

Ernst & Haas Management Co., Inc. is pleased to offer you *Enhanced Reporting and Eviction Protection Program*, which has been developed in response to concerns of the rising level of tenant defaults.

Under this service agreement, Ernst & Haas Management Co. will provide additional tenant payment reporting on a monthly basis. Ernst & Haas will also pay all court costs, attorney service fees and filing fees if necessary in connection with a standard Unlawful Detainer (eviction) against a tenant at the municipal court level. Also, included in the program is the additional court cost for filing a writ of possession, service fees, and sheriff's lock-out charges.

The cost of the *Enhanced Reporting and Eviction Protection Program* is \$8 per unit a month and continues during times of vacancy. This program is not insurance and is subject to the following:

- Evictions must be for non-payment of rent for 21 days or more, or failure to vacate after service of a 30 or 60 day notice.
- The *Enhanced Reporting & Eviction Protection Program* does not protect owners against lost rents, damages to the unit, or any other legal actions.
- The *Enhanced Reporting & Eviction Protection Program* does not included appeals, jury trial, or Federal Bankruptcy Court.
- Tenant must be in good standing for at least 30 days from the date of enrollment.
- Total costs are limited to \$1800.00.

If you wish to participate, please check the box below, sign and return this page to Ernst & Haas Management Co., Inc. Should you have additional questions, please feel free to contact our office for further information

Yes, enroll me in the *Enhanced Reporting and Eviction Protection Program* Today!

No thanks, I do not wish to participate in the *Enhanced Reporting and Eviction Protection Program*. By not enrolling in the plan I understand that I am responsible for the cost of any eviction.

Property Address: _____

Owner Name (printed): _____

Owner Signature: _____ Date Signed: _____

Ernst & Haas
MANAGEMENT

4000 Long Beach Blvd., Ste. 105, Long Beach, CA 90807

562.989.9835

www.ErstandHaas.com

