



Property Management Agreement

This property management agreement (this “agreement” or this “property Management Agreement”) is made and entered into as of 9/10/2015, by and among PIRE LLC and Shanit Jacobs-Oren, passport number 483817630, with an address at 35 Weitzman Street, Petah Tikva, Israel 4955632 (hereafter the “Owner”) and Grossman Group LLC and/or its owner Liron Kahn Grossman, with an office at 6602 Ridge Ave, Unit#1, Philadelphia PA 19128 (hereafter the “manager” and/or the “agent”).

WHEREAS, the owner is interested in having manager provide property management services for its property/properties; and

WHEREAS, manager is willing to provide such services to owner, subject to the terms and conditions of this property management agreement;

NOW, THEREFORE, in consideration of the foregoing, and of the mutual covenants and undertakings contained herein, the parties agree as follows:

1. Exclusivity of services.

The owner hereby employs the manager on an exclusive basis during the term hereof to manage and maintain the owner’s following property / properties:

1531 N 28th st, Philadelphia PA 19121

221 N Hobart st, Philadelphia PA 19139

(the “property”/”properties”).

For the avoidance of doubt, the owner hereby retains the authority to negotiate lease terms, hold money belonging to tenants and enter into leases with tenants. The owner agrees to provide the manager with all information regarding all current and future leases and other agreements.

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2. Term & Termination

The initial term of this agreement shall start on the date first written above and end one year thereafter (the “initial term”). Upon conclusion of the initial term, this agreement shall automatically renew in one-year increments (“renewal terms”), unless otherwise cancelled at the end of each term by providing at least sixty (60) days prior written notice.

Notwithstanding the foregoing, if notice of cancellation is given, and if at the end of the applicable term, the property is occupied by tenants, then the agreement shall continue for as long as such tenants continue to occupy the property.

The owner understands that the pricing provided herein is expressly based the minimum commitments to term as set forth in this section above. In the event the owner cannot wait until the end of the initial term or a renewal term to cancel this agreement, for any reason, then the owner may cancel the agreement upon at least thirty (30) days notice and upon paying a cancellation fee equal to two (2) months fee, in addition to reimbursing any non-cancellable commitments made by the manager related to the property/properties.

This agreement can also be terminated by mutual agreement of the parties at any time, or by the manager by providing a written notice of 30 days prior to termination.

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3. Compensation of manager

In consideration of the Manager's services, the Owner agrees to pay the manager the following:

- 3.1 The owner agrees to compensate manager with ten (10) percent of all rents collected, per unit. In case that any unit is not rented, owner agrees to pay a minimum of \$50 per month, per unit, as a fee for managing the property/properties.
- 3.2 For any property reviews conducted by the manager, the owner shall make payment in the amount of hundred dollars (\$100), per visit, per property. Property reviews will include a written review of the property and recommended preservation projects, including a preliminary cost estimate for each project.
- 3.3 For any lease renewal for existing tenant/s, owner agrees to pay half (1/2) of the monthly rent to offset time/costs of renewal efforts. All renewals will be performed online via DocuSign, or in a meeting with the tenant/s, using the standard lease agreement recommended by the national association of REALTORS ® or any other lease provided by the owner and approved by the manager.
- 3.4 Owner agrees to purchase a lockbox for every property for \$20 to use in case of emergencies (The owner can choose the password code). The lockbox will remain the owner's personal property in case of termination of this agreement.

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3.5 In addition to the above fees, the owner can choose more services by providing a written request and if so - s/he agrees to pay as following:

Description of services	Our fee	Comments
Tenant placement for managed properties	One month's rent	Competitive with the market
Tenant placement for non-managed properties	One month's rent + \$100 lease preparation fee	These fees will be paid to the brokerage that Liron is working with at the time of request and which his Real Estate Salesperson license is under. This fee will be divided between the seller's (owner's) broker/agent and the buyer's (renter) broker/agent. We will use the standard contracts recommended by national association of REALTORS® (For more information please refer to section 4 below). All of these fees will include paying any other agents (usually buyer's agents) and any costs associated with marketing the property/properties.
Listing a property for sale	Minimum of \$3,500 or 6% whichever is higher + \$385 as conveyancing fee	
Eviction costs	\$450 plus costs which varies per municipality	
Maintenance / repairs (outside vendor/s)	Project cost + 15% surcharge	Fee for serving notices, preparation, filing, and attendance of first court hearing. Outsourced company varies per municipality. *additional \$100 fee charged for each subsequent extension and/or appeal, where applicable.
		We are hands on with review, estimation and supervision of the task. We negotiate with vendors for favorable pricing on materials and labor.



Description of services	Our fee	Comments
Maintenance/repairs in-house	\$40 per hour	Routine maintenance and smaller projects completed by hourly repairpersons contracted by manager.
Annual property inspection	\$100	Some inspections can be very expensive. We complete a photo walk through inspection annually. In special cases we will ask for your permission to perform more inspections (if applicable)
Periodic property inspection	\$100	Periodic safety and compliance inspection fee
obtain necessary documents needed to manage the property / properties	\$100 hourly rate	For example, in case we need to obtain LLC documents, dealing with lawyers, obtain rental license, cleaning, manicure landscaping or doing anything else outside of the scope of our management agreement

3.6 It is understood by owner that the management company retains all late fees paid by tenants to help offset the extra costs and labor involved in late rent collection.

3.7 It is agreed between owner and manager that any unpaid balances owing under this agreement shall be the subject of a valid Mechanic's Lien to be recorded upon the subject property/properties.

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4. Listing the property / properties for rent and/or for sale

The manager is available to list the property for sale on behalf of the owner as its listing/seller's agent for a commission to be agreed, or the owner may list the property for sale with a different agent, subject to at least thirty (30) days prior written notice to manager, and the termination provisions of this agreement. Notwithstanding, in case of a sale of any of the owner's property/properties, this agreement will be automatically terminated and owner shall pay to manager any fees, commissions and expenses due manager under terms of this agreement, which are owing to manager.

For the avoidance of doubt, in case of listing the property/properties for rent or sale – any listing, contract and payments will be signed on a separate standard agreement, recommended by the national association of REALTORS ® and will be sign under the brokerage that Liron will be working for as a REALTOR ® while Liron will be the listing agent.

5. Manager's authority

The manager shall have full and complete authority to:

5.1 Manage and control the property/properties, including collecting all payments from, and issuing receipts to tenants. The owner shall, at manager's option, reimburse, or pay in advance, all expenses incurred or to be incurred in furtherance of this agreement.

5.2 prepare and execute renewals and terminations.

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5.3 to provide any repair services deemed by the owner or manager to be necessary or contractually required under any lease, and to pay for such services from owner's funds, except where such repair exceeds \$300 per unit, in which case owner's prior approval shall be required.

5.4 to work with brokers as determined by the owner in its sole discretion and at its sole expense.

5.5 to serve legal notices to tenant on behalf of owner or manager, and, with owner's consent, to procure a lawyer, of manager's choosing, in order to take legal action to evict tenants, or recoup rental income. Such legal action will be at owner's expense. Additionally, manager shall be an interested party in any such legal action and shall not be excluded from any communications between the owner and such lawyer related to this agreement or any lease entered into pursuant to this agreement. Finally, the manager shall have full and complete authority to settle any and all claims on the owner's behalf.

6. **Manager's responsibilities**

The manager shall be responsible for the following:

6.1 Use reasonable efforts to manage the property / properties to tenants and to collect rental payments when due. However, the manager makes no guarantee as to payment by any such tenants nor as to occupancy levels. Manager will be diligent in its management of the property.

6.2 Employ the services of collection agencies, as it deems necessary.

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6.3 Remitting quarterly statements to the owner reflecting receipts, expenses and charges. Manager will also provide a statement in the end of the year that will summarize the entire year along with the 1099 form or invoice to the owner.

6.4 Manager will use commercially reasonable efforts to lease or rent the property according to section 4 above, or to work with any other REALTORS ® to do so.

6.5 All rents will be deposit to the owner’s bank account directly (the owner must provide his/her bank account information)

6.6 The manager will reserve a minimum balance for emergency maintenance needs and to pay day-to-day operating expenses.

6.7 Manager will record and post your quarterly statement to your online portal (takes up to 30 days to create from signing this agreement) as well as yearly administrative for income and expenses, per property.

6.8 Manager will process any payments received and any costs needed to be paid online (if applicable, costs to perform online bill payments will be paid by the owner)

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7. Owner's representation

Owner represents and warrants to the manager the following:

7.1 It has full authority to enter into this property management agreement.

7.2 It has full authority to engage and appoint the manager as set forth in this agreement.

7.3 The property is free from any default, foreclosure, contract for sale, option to purchase, contract for deed or any other obligation which would be in conflict with the intentions of this agreement.

7.4 To the best of the owner's knowledge, there are no environmental hazards related to the property. Should any environmental hazards present, the owner's indemnifies and holds the manager harmless, to the fullest extent, and shall bear all cost and expense related to removing any such hazards.

8. Owner's responsibilities

In consideration of the property management services to be rendered by manager under this agreement, owners agrees:

8.1 to reimburse manager, upon demand, and up to 7 days from request, to the full extent of all monies, expenses and fees for carrying out the purpose of this agreement.

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8.2 Owner agrees that owner is solely responsible for making all mortgage, property tax, insurance, water payments, and rental license payments regarding the subject property/properties on a timely basis. Manager assumes absolutely no responsibility for same.

8.3 Owner will pay a minimum balance of \$300 per unit + 2 months of management fees, paid in advance for emergency maintenance needs and to pay day-to-day operating expenses + \$20 per unit for buying a lockbox.

8.4 Owner will provide manager with all the documents needed according to this agreement and according to the “checklist of landlord responsibilities” document. In addition, owner will provide the manager will the “specific power of attorney” and the “authorization to manage” documents that provided by the manager, signed and notarized.

9. Agency appointment

The owner hereby appoints Grossman Group LLC and/or its owner Mr Liron Kahn Grossman as the manager/agent of the owner’s property / properties and grants Grossman Group LLC and/or Liron Kahn Grossman full power and authority to perform all actions necessary for the eviction and/or collection of unpaid rents related to this agreement, and any such actions shall be deemed ratified and approved by the owner. Additionally, the owner grants the manager the right to enter the property at any time during the term hereof.

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10. Limitation of liability

Except to the extent caused by manager's gross negligence or willful misconduct, manager, including manager's agents, independent contractors and employees shall have no liability whatsoever under this property management agreement, including any liability related to any injury to persons or damage to property suffered or sustained by any person.

Manager shall not be liable for any willful neglect or abuse to the owner's property by tenants or vandals or others.

Manager shall not be liable for loss of personal property left on the premises by the tenants or the owner.

Owner hereby agrees to hold Manager harmless from, and to defend Manager against, any and all claims, charges, debts, demands and lawsuits. Owner agrees to pay Manager's attorney's fees related to Manager's management of the herein-described property and any liability for injury on or about the property/properties which may be suffered by any employee, tenant or guest upon the property.

11. Insurance

The owner shall, at its own cost and expense, carry general liability insurance and all other necessary insurance in sufficient amounts (not less than \$500,000 per occurrence to protect the interests of the parties hereto. The owner shall ensure that the manager is covered under such policies. The owner shall indemnify manager to the fullest extent for any liability which results from any failure to maintain adequate insurance coverages as provided in this clause.

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12. Miscellaneous

12.1 This agreement shall be binding and inure to the benefit of the parties' heirs, successors and assigns.

12.2 This agreement shall be governed in accordance with the laws of the state of Pennsylvania, without regard for its conflict of laws provisions.

12.3 The pricing and other terms and conditions provided in this document apply in full force and effect.

12.4 All notices to be given under this agreement shall be deemed to have been given when mailed by one party, with return receipt requested, to the other at their respective addresses first set forth above.

In witness whereof, by their respective signatures below, the parties have caused this property management agreement to be duly executed and delivered.

Grossman Group LLC and/or its owner Liron Kahn Grossman

(Homeowner)

PIRE LLC / Shanit Jacobs-Oren

DocuSigned by:
Shanit Jacobs Oren
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9/10/2015