Hawk Mgmt, Inc.

6700 Fallbrook Ave. Suite 160 • West Hills, CA 91307
(424) 777-9848

1. COMMERCIAL PROPERTY MANAGEMENT AGREEMENT

1.1 EMPLOYMENT OF AGENT

This Commercial Property Management Agreement ("Agreement") is entered into as of Management Agreement Preparation Date, by and between:

Owner: <<Owner Name(s)>> ("Owner"),
and
Agent: Hawk Mgmt, Inc., a California corporation ("Agent"),
regarding the commercial property located at **<<Property Address>>>** ("Property").

1.2 OWNER REPRESENTATIONS.

Owner represents that it has full authority to enter into this Agreement and that all information provided to Agent regarding the Property, including financial, structural, environmental, and operational matters, is accurate to the best of Owner's knowledge. Owner agrees to promptly notify Agent of any material changes or previously undisclosed conditions that may affect management of the Property.

By initialing below, you acknowledge and agree to the terms in Section 1.

X_____
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2. APPOINTMENT OF AGENT

2.1 APPOINTMENT OF AGENT

Engagement. Owner hereby appoints Agent as its exclusive representative to manage, operate, maintain, and lease the Property, subject to the terms of this Agreement.

Independent Contractor. Agent is an independent contractor. Nothing in this Agreement creates a partnership, joint venture, or employment relationship.

No Fiduciary Expansion. Agent's fiduciary duties, if any, shall be limited to those imposed by California law and shall not be expanded by implication or expectation.

Term. This Agreement commences on **<<Management Start Date>>**and continues on a month-to-month basis unless terminated as provided herein.

Reliance on Owner Information. Owner represents that all information it provides to Agent is true, complete, and accurate. Agent may rely on such information without independent investigation or verification, and Agent shall not be liable for any loss, damage, or claim arising from inaccurate, incomplete, or omitted information provided by Owner.

Scope of Authority. Except as expressly stated, Agent assumes no fiduciary duties beyond those required by California law.

2.2 NO DUTY TO INVESTIGATE

Agent shall have no duty to inspect, investigate, or verify the accuracy of any information provided by Owner or third parties. Agent's duties are limited to the scope expressly described in this Agreement.

By initialing below, you acknowledge and agree to the terms in Section 2.

X_____
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3. AGENT DUTIES

3.1 MANAGEMENT DUTIES

Agent shall:

a) Manage day-to-day operations of the Property using commercially reasonable efforts.
b) Maintain accurate books and records and make them available upon reasonable notice.
c) Deposit all funds into a trust account in accordance with California law.
d) Collect and account for all rents, fees, and tenant charges.
e) Provide monthly statements and remit net proceeds on or about the 20th of each month.
f) Maintain a reserve account of $1,000 or such greater amount as Agent may require upon written notice.
g) Hold and administer tenant security deposits in accordance with applicable law.

h) Agent's services are administrative and operational in nature. Agent does not assume responsibility for the Property's structural integrity, code compliance, environmental conditions, or suitability for any particular use.

i) Agent may rely on vendor recommendations, public information, and Owner disclosures in carrying out its duties. Agent is not required to independently inspect, test, or investigate the Property unless expressly agreed in writing.

j) Agent shall not be responsible for delays or failures in performance caused by the acts or omissions of Owner, tenants, vendors selected by Owner, utility providers, government agencies, or circumstances beyond Agent's control.

3.2 LIMITATIONS ON AGENT'S DUTIES

a) Inspecting for or detecting latent defects, hazardous materials, mold, structural issues, code violations, or environmental conditions.
b) Ensuring Owner's legal compliance with federal, state, or local laws or regulations.
c) Providing legal, tax, accounting, engineering, architectural, or environmental advice.
d) Tenant performance, market conditions, rentability of the Property, or economic results.
e) Monitoring, forecasting, or guaranteeing tenant performance, market rents, economic conditions, or the financial success of the Property or Owner's business objectives.
f) Ensuring compliance with any lender requirements, loan covenants, or insurance conditions unless specifically provided to Agent in writing and agreed to by Agent.

3.3 STANDARD OF CARE

Agent shall perform its services with reasonable care consistent with customary commercial property management practices for similar properties in the region. Agent does not guarantee results and shall not be held to a standard higher than that applicable to other professional property managers.

3.4 NO OBLIGATION TO ADVANCE FUNDS

Agent is not required to advance any funds on behalf of Owner or the Property. If Agent elects to advance funds at its discretion, Owner shall reimburse Agent immediately upon request, and such election shall not create any future obligation to do so.

3.5 VENDOR SELECTION DISCLAIMER

Agent may recommend or select vendors based on availability, cost, and experience; however, all vendors are deemed to be contractors of Owner. Agent shall not be liable for vendor performance, delays, pricing, workmanship, or failure to complete work, unless caused by Agent's gross negligence or willful misconduct

By initialing below, you acknowledge and agree to the terms in Section 3.

X_____
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4. AGENT AUTHORITY

4.1 FINANCIAL & OPERATIONAL AUTHORITY

Agent is authorized to:

a) Collect rents, endorse payments, deposit funds, and manage the Operating Account.
b) Pay all Property-related expenses from the Operating Account, including repairs, utilities, legal fees, management fees, taxes, insurance, and vendor charges.
c) Withhold funds for anticipated expenses and suspend disbursements when funds are insufficient. Agent shall not be liable for any consequences, including late fees, service interruptions, or vendor actions, arising from insufficient funds in the Operating Account.
d) Require Owner to provide additional funds within 24 hours of request.
e) Agent may establish reasonable policies regarding minimum operating balances, funding timelines, and required reserves to ensure the uninterrupted operation of the Property. Owner agrees to comply with such policies upon written notice.

4.2 LEASING AUTHORITY

Agent may:

a) Advertise vacancies, show units, negotiate lease terms, and prepare leasing documents.
b) Renew leases, modify existing leases, and negotiate amendments subject to Owner approval. Owner's approval shall not be unreasonably withheld or delayed. If Owner does not respond within three (3) business days, Agent may proceed based on market conditions and the Property's operational needs.
c) Accept deposits from prospective tenants on Owner's behalf.
d) Agent may execute leasing documents on Owner's behalf when acting as attorney-in-fact under Section 4.6, provided that such documents are consistent with Owner-approved lease terms or commercially reasonable leasing practices.

4.3 REPAIR AUTHORITY

a) Agent may make repairs necessary for safety, preservation, habitability, or continued Property operations.
b) Non-emergency repairs exceeding $1,000 require Owner approval. Agent will make reasonable efforts to contact Owner using at least two methods of communication. If Owner does not respond within forty-eight (48) hours, approval shall be deemed granted in order to prevent further deterioration, operational disruption, or increased repair costs.
c) In emergencies, Agent may act without limitation.
d) "Emergency" includes any condition that poses risk to life, safety, the Property, business operations, or that could worsen if not immediately addressed.
e) Agent may increase repair approval thresholds upon written notice.
f) Agent shall have sole discretion to determine whether a condition constitutes an emergency requiring immediate action. Agent's determination shall be final and binding based on its professional judgment and the circumstances at the time.
g) Agent shall not be liable for delays, increased costs, or damages arising from Owner's failure to approve repairs timely, provide necessary funds, or authorize required work.

4.4 VENDOR AUTHORITY

Agent may hire, supervise, and discharge vendors, contractors, and service providers. All vendors are deemed Owner's vendors, not Agent's agents or employees. Agent is not liable for vendor acts, errors, omissions, delays, or pricing.

Owner acknowledges that all vendor contracts are between Owner and the vendor, and Agent shall have no liability for vendor actions, omissions, pricing, or performance unless caused by Agent's gross negligence or willful misconduct.

4.5 LEGAL AUTHORITY

Agent may:

a) Prepare and serve statutory notices.
b) Initiate, prosecute, manage, defend, or settle unlawful detainer actions or other tenant-related proceedings.
c) Select, retain, and direct legal counsel on Owner's behalf.
d) Require Owner's full cooperation in any proceeding.

All legal fees, court costs, attorney fees, investigation fees, and service fees are Owner's sole responsibility.

Agent shall have no liability for the outcome of any legal proceeding, settlement decision, or attorney action undertaken on Owner's behalf.

4.6 ATTORNEY-IN-FACT

Owner appoints Agent as Owner's attorney-in-fact for purposes of executing documents necessary for management and leasing activities.

This authorization includes the execution of leases, renewals, amendments, vendor agreements, utility documents, estoppel certificates, insurance submissions, and any documents reasonably necessary for the operation and management of the Property.

By initialing below, you acknowledge and agree to the terms in Section 4.

X_____
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5. OWNER DUTIES

5.1 FINANCIAL DUTIES

Owner shall:

a) Pay all management fees and charges when due.
b) Fund the Operating Account upon request within 24 hours.
c) Reimburse Agent for all expenditures made on Owner's behalf.
d) Pay Agent $150/hour for after-hours on-site work, if available.
e) Owner acknowledges that Agent's ability to perform its duties depends on timely funding from Owner. Agent shall have no liability for late fees, vendor actions, service interruptions, penalties, or damages resulting from insufficient funds in the Operating Account.
f) Owner agrees to maintain sufficient funds in the Operating Account at all times to cover anticipated monthly expenses, including utilities, repairs, maintenance, taxes, insurance, and management fees. If funds fall below required levels, Agent may suspend non-essential services until replenished.

5.2 MANAGEMENT FEE SCHEDULE

In consideration for the services provided by Manager, Owner agrees to pay the following fees. All fees are deemed earned when the corresponding service is performed. These fees supersede any inconsistent fee descriptions elsewhere in this Agreement.

1. Initial Setup Fee
   Owner shall pay Manager a one-time Initial Setup Fee of Two Hundred Fifty Dollars ($250), due upon execution of this Agreement.

2. Management Fee
   Owner shall pay Manager a Management Fee of ___% of all rent actually collected by Manager on Owner's behalf. This fee is only charged on rent successfully collected. The percentage shall be filled in at the time of contracting and may vary based on property specifics or negotiated terms.

3. Leasing Fee (New Leases)
   Owner shall pay Manager a Leasing Fee equal to five percent (5%) of the total gross value of any new lease, due at lease signing.

4. Lease Renewal Fee
   Owner shall pay Manager a Renewal Fee equal to three percent (3%) of the gross value of any renewed lease term, due upon execution of the renewal.

5. Franchise Tax Board (FTB) Withholding Processing Fee
   For properties owned by out-of-state owners, Owner shall pay a fee of Fifty Dollars ($50.00) per quarter for processing and remitting required California Franchise Tax Board withholding.

6. After-Hours On-Site Work
   If Owner requests on-site work outside normal business hours, and Manager is able to accommodate such request, Owner shall pay an hourly fee of One Hundred Fifty Dollars ($150.00) per hour, including travel time. Manager does not guarantee after-hours availability.

5.3 INSURANCE REQUIREMENTS

a) Owner must maintain:

- General liability insurance of no less than $1,000,000 per occurrence,
- Property insurance covering full replacement cost,
- A waiver of subrogation in favor of Agent, and
- Agent named as Additional Insured.

b) Owner shall provide certificates of insurance annually.
c) Agent is not responsible for lapses caused by insufficient funds or Owner's failures.
d) Owner's insurance shall be primary and non-contributory. Agent's insurance, if any, shall apply only in excess of Owner's coverage.
e) Owner is solely responsible for ensuring the adequacy of all insurance coverages. Agent does not review insurance policies for sufficiency and makes no representations regarding coverage needs or exclusions.

5.4 INDEMNIFICATION

Owner shall indemnify, defend, and hold Agent harmless from all claims, losses, liabilities, damages, penalties, attorney fees, or causes of action arising out of:

a) The ownership, operation, maintenance, leasing, or condition of the Property;
b) Bodily injury, death, or property damage occurring on or about the Property;
c) Environmental conditions, hazardous materials, or code violations, whether known or unknown;
d) The acts or omissions of Owner, tenants, vendors, contractors, invitees, or third parties;
e) Owner's failure to comply with any law or regulation;
f) Any legal action involving the Property.
g) Owner's failure to disclose or provide accurate information about the Property, including but not limited to defects, environmental conditions, code violations, material hazards, or financial obligations.

This indemnity survives termination. Owner's obligations do not apply to Agent's gross negligence or willful misconduct, as required by California law.

Owner's indemnity obligations shall apply regardless of whether such claims arise during or after the term of this Agreement.

5.5 OWNER CONDUCT

Owner shall:

a) Not interfere with Agent's management activities, vendor relationships, leasing processes, or communications with tenants. Owner shall route all operational inquiries through Agent.
b) Owner shall not communicate directly with tenants, applicants, vendors, or legal counsel regarding any operational, financial, repair-related, or tenancy matters unless Agent is included in all communications. Unauthorized communications may result in delays, misunderstandings, or increased costs for which Agent shall not be liable.
c) Provide full disclosure of known material defects, hazards, violations, or conditions affecting the Property.
d) Owner shall timely provide Agent with all documents, records, keys, access codes, warranties, service contracts, permits, prior leases, tenant ledgers, and other information necessary for Agent to perform its duties.

5.6 NON-SOLICITATION

Owner shall not solicit, hire, or engage any employee or independent contractor of Agent who has performed services for the Property during the twelve (12) months preceding termination of this Agreement. If violated, Owner shall pay liquidated damages equal to twelve (12) months of management fees, representing the reasonable value of training, replacement, and lost business continuity

By initialing below, you acknowledge and agree to the terms in Section 5.

X_____
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6. LEASING COMPENSATION

6.1 LEASING COMMISSIONS

a) New Leases: Agent earns 5% of the total gross face value of a new lease.
b) Renewals: Agent earns 3% of the gross face value of the renewal term.

c) Amendments, expansions, or extensions: Agent earns 3% of the additional rent obligation.
d) Commissions are earned and payable upon execution of the applicable lease, renewal, amendment, or extension, regardless of when rent commences.
e) Agent shall be entitled to commissions for any lease or tenancy created during the term of this Agreement, whether negotiated directly by Agent, Owner, or a third party.

6.2 BROKER PROTECTION

Agent shall earn a leasing commission for any lease, renewal, extension, or expansion entered into within twelve (12) months after termination of this Agreement if:
(a) Agent introduced the tenant to the Property,
(b) Agent negotiated with the tenant, or
(c) the tenant was in communication with Agent regarding the Property during the term of this Agreement.

For purposes of this section, "introduced" includes any inquiry, showing, proposal, tour, or written or electronic communication facilitated by Agent.

This protection shall survive termination and applies regardless of whether Owner or another broker completes the lease transaction.

6.3 SALE TO TENANT

If Owner sells the Property, or any portion thereof, to a tenant who was placed at the Property by Agent or with whom Agent negotiated during the term of this Agreement, Owner shall pay Agent a sales commission equal to six percent (6%) of the total sales price.

This commission is earned upon the close of escrow and is in addition to any leasing commissions previously paid.

6.4 PAYMENT OF COMMISSIONS

All commissions shall be due and payable to Agent within ten (10) days of execution of the applicable lease or within five (5) days after the close of escrow in the case of a sale. Unpaid commissions shall accrue interest at ten percent (10%) per annum or the maximum amount permitted by law.

By initialing below, you acknowledge and agree to the terms in Section 6.

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7. TERMINATION

7.1 TERMINATION BY EITHER PARTY

After the first month, either party may terminate this Agreement with thirty (30) days' written notice.

Termination shall not relieve Owner of obligations that arose prior to the termination date, including payment of management fees, leasing commissions, reimbursements, vendor charges, legal fees, or amounts due for ongoing work initiated prior to notice of termination.

Agent may continue to perform essential services during the notice period to ensure a safe and orderly transition.

7.2 TERMINATION BY AGENT FOR CAUSE

Agent may terminate immediately for:

a) Failure to fund expenses
b) Owner interference
c) Failure to cooperate
d) Owner breach of this Agreement
e) Unsafe or unlawful Owner directives
f) Owner's failure to maintain required insurance or provide proof of insurance within ten (10) days of request.

7.3 OUTSTANDING BALANCES

Termination shall not become effective until all amounts owed to Agent have been paid in full, including management fees, leasing

commissions, reimbursements, legal fees, repair costs, vendor charges, and any other sums due under this Agreement.

Agent may withhold all records, keys, access devices, deposits, and funds until all outstanding balances have been paid. This holdback is not a waiver of Agent's rights to pursue additional remedies.

7.4 ONGOING MATTERS

If legal actions, evictions, insurance claims, major repairs, tenant negotiations, or vendor work are pending at the time of termination, Agent may, at its discretion:

(a) Complete the matter at Owner's expense under the terms of this Agreement, or
(b) Transfer the matter to Owner or Owner's new agent upon payment of all outstanding balances.

Agent shall not be liable for any delays, increased costs, or adverse outcomes resulting from the transfer or discontinuation of such matters.

7.5 POST-TERMINATION INDEMNITY

Owner shall indemnify, defend, and hold Agent harmless from any claims, obligations, liabilities, damages, or legal actions arising out of:

(a) Conditions existing at the Property during the term of this Agreement;
(b) Tenant disputes, acts, or omissions relating to events occurring prior to termination;
(c) Vendor contracts, repairs, or obligations initiated or incurred before termination;
(d) Owner's failure to provide accurate or complete information regarding the Property.

This indemnity shall survive termination indefinitely.

7.6 TRANSITION COOPERATION

Upon termination and payment of all amounts due, Agent shall provide reasonable cooperation to transfer records and information necessary for continued Property operations. Agent shall not be obligated to recreate, reformat, or reorganize records or provide services beyond customary transition tasks. Additional services requested by Owner shall be billed at Agent's standard hourly rate.

By initialing below, you acknowledge and agree to the terms in Section 7.

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8. GENERAL PROVISIONS

8.1 NOTICES

Notices may be delivered by email, personal delivery, or mail. Email is effective upon transmission.

Owner is responsible for maintaining a current email address on file with Agent. Notices sent to the most recent address provided by Owner shall be deemed valid even if Owner fails to update its contact information.

8.2 ASSIGNMENT

Agent may assign this Agreement to an affiliated entity, successor, or purchaser of Agent's management business upon written notice to Owner. Owner may not assign or transfer this Agreement without Agent's prior written consent.

8.3 LIMITATION OF LIABILITY

To the fullest extent permitted by law, Agent's total liability to Owner for any claims arising out of this Agreement or the management of the Property shall not exceed the total management fees paid by Owner to Agent during the twelve (12) months preceding the event giving rise to the claim, or Twenty-Five Thousand Dollars ($25,000), whichever is greater.

Agent shall not be liable for any consequential, incidental, special, punitive, or exemplary damages.

These limitations apply regardless of the legal theory asserted and shall survive termination of this Agreement.

8.4 ENTIRE AGREEMENT

This Agreement constitutes the entire agreement between the parties.

8.5 SEVERABILITY

If any portion is unenforceable, the remainder remains in effect. The parties agree that any unenforceable provision shall be modified to the minimum extent necessary to render it enforceable while preserving the parties' original intent.

8.6 ELECTRONIC SIGNATURES

Electronic signatures and PDF copies are binding.

8.7 GOVERNING LAW & VENUE

This Agreement shall be governed by and interpreted in accordance with the laws of the State of California. Any legal action arising from this Agreement shall be brought exclusively in the county where the Property is located.

In any action between the parties, the prevailing party shall be entitled to recover its reasonable attorney fees and costs.

8.8 FORCE MAJEURE

Agent shall not be liable for any failure to perform its obligations under this Agreement due to events beyond its reasonable control, including but not limited to natural disasters, labor shortages, utility failures, pandemics, government orders, or vendor unavailability.

8.9 OWNER RESPONSIBILITY FOR LEGAL COMPLIANCE

Owner is solely responsible for ensuring that the Property complies with all applicable laws, codes, ordinances, and regulations, including but not limited to ADA, fire/life safety, environmental, zoning, and building requirements. Agent has no duty to inspect for or ensure such compliance and shall not be liable for any violations, fines, or corrective actions.

8.10 DOCUMENT RETENTION

Agent shall retain records in accordance with its internal document retention policies. Agent is not required to maintain records beyond legally required periods and shall not be liable for records disposed of in the ordinary course of business.

By initialing below, you acknowledge and agree to the terms in Section 8.

X_____
Initial Here

9. Sign and Accept

9.1 SIGN AND ACCEPT

This Agreement shall be binding upon Agent and upon the heirs, administrators, executors, legal representatives, successors, and permitted assigns of Owner.

By signing below, Owner acknowledges that it has read this Agreement in full, understands its terms, has had the opportunity to seek legal counsel, and agrees to be bound by all provisions.

Each individual signing on behalf of Owner warrants that they are duly authorized to execute this Agreement and to bind the Owner entity to all obligations herein.

Facsimile, scanned, and electronic signatures shall be deemed originals for all purposes.

9.2 AGENT RELIANCE ON SIGNATORY AUTHORITY

Agent may rely upon the authority of any person who executes this Agreement on behalf of Owner, and Agent shall have no obligation to verify such authority. Owner shall indemnify Agent for any loss or claim arising from a misrepresentation of authority by any signatory.

9.3 COUNTERPARTS

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which together constitute one instrument.

9.4 EFFECTIVE DATE OF AGENCY

This Agreement becomes effective upon the date of the last signature below. Agent's authority to act begins on the Management Start Date specified in Section 1 or upon earlier delivery of possession, whichever occurs first.

9.5 CERTIFICATION OF INFORMATION

By signing below, Owner certifies that all information provided to Agent regarding the Property, tenants, finances, insurance, and physical condition is true, complete, and accurate to the best of Owner's knowledge. Owner agrees to update Agent promptly if any information changes.

X _____

Owner

_____

Date Signed

X _____

Agent/Broker

_____

Date Signed