

# PROPERTY MANAGEMENT AGREEMENT

This agreement is made on \_\_\_\_\_ (date) between \_\_\_\_\_  
\_\_\_\_\_ (**Landlord/Owner**) who agrees to advise  
Agent promptly of any change of address, telephone number or email address, or any other contact information.

Phones: Home: \_\_\_\_\_ Office: \_\_\_\_\_

Current Address: \_\_\_\_\_

All Notices will be mailed to Landlord at: \_\_\_\_\_

**and** \_\_\_\_\_ (**Agent/Manager**) who agree as follows:

## 1. The Landlord appoints and grants Agent the exclusive right to manage:

\_\_\_\_\_ ("**Premises**"), which is part of \_\_\_\_\_ Owners Association. Landlord will provide the Rules and Regulations to the Agent. The **term** of this Agreement shall be for an initial period of \_\_\_\_\_ years (the initial term) beginning on \_\_\_\_\_; and ending the last day of \_\_\_\_\_. This Agreement shall be automatically renewed from year to year unless/until terminated or the property is sold.

The NVAR Property Management Information Form ("K1005") is attached and made a part of this Agreement.

If this box is checked, Agent is to lease Premises, and the NVAR Exclusive Right to Lease form is attached and made a part of this Agreement.

If this box is checked, the Landlord agrees to pay the Agent \_\_\_\_\_ if the Premises are sold or exchanged during the term of this Agreement.

## 2. Landlord grants to Agent the authority and power at Landlord's expense and in Landlord's name to perform with diligence the following normal management services:

- A. To collect all rents in accordance with the Leases and to keep records of the receipts and expenditures for the Premises and to deposit all Landlord funds collected by Agent in a separate escrow account in a federally insured institution in Virginia. Agent shall not be held liable in the event of a bankruptcy or failure of the depository.
- B. To retain the Tenant's Security Deposit in escrow for the duration of the Lease and any extensions and to refund the Deposit in accordance with the terms of the Lease.
- C. To make inspections of the Premises at time of occupancy, when Tenant vacates, and at such other times as the Agent deems advisable.
- D. To keep accurate records of the receipts, expenditures and charges for Premises and furnish Landlord with a statement \_\_\_\_\_. To promptly remit to Landlord as directed in the PMIF the balance of all sums due Landlord under the terms of this Agreement. To submit a Form 1099 to the IRS each calendar year with the SS# or Tax ID # \_\_\_\_\_ showing the total income.
- E. To terminate tenancies and to sign service contracts and HOA/Condo Association proxies and serve Notices, to institute and prosecute actions to evict Tenants and to recover possession of the Premises; to sue for and recover rent; to settle, compromise and release such actions or suits, or reinstate such tenancies using guidelines provided by the Landlord or after personal consultation with the Landlord.
- F. To negotiate, prepare and sign all leases, and to cancel or modify existing leases. The Agent shall sign all leases as Agent for the Landlord. No Lease shall be in excess of \_\_\_\_\_ year(s) without approval of the Landlord.
- G. To make or cause to be made all ordinary repairs and replacements necessary to preserve the Premises and to make all alterations necessary to comply with Lease requirements, governmental regulations or insurance requirements, to arrange for necessary decorating of the Premises, to enter into agreements for all essential repairs, maintenance, utility services and other services to and for the Premises, to purchase supplies and to pay all bills as provided in the PMIF. Any cost in excess of \$ \_\_\_\_\_ must be approved by the Landlord in advance except in an emergency.
- H. To collect and retain from Tenant all or any of the following: a late or additional rent administrative charge, returned check charge, application fee, lease administration charge. Agent need not account for such charges and/or compensation to the Landlord. Landlord hereby waives any right to all interest that may accrue on

Tenant's Security Deposit and acknowledges that any interest accruing in excess of that paid to Tenant shall accrue to the benefit of Agent.

3. **Compensation:** As Compensation for the above normal management services, Landlord will pay Agent a fee of \$ \_\_\_\_\_ per month or \_\_\_\_\_% of the monthly rent. This fee shall be deducted from the Landlord's account or payable by the Landlord by the \_\_\_\_\_ day of the month.

4. **Other Service and Fees:** For other services beyond the normal management duties Landlord agrees to compensate Agent as follows:

SERVICE	\$ FEE	% OF MONTH RENT	% TOTAL EXPENSES	OTHER
Preparing Premises for sale or for rent or for the re-occupancy of Landlord				
Managing during vacancy				
Managing a furnished rental				
Appearing in court				
Insurance claim coordination				
Attending HOA/Condo meetings				
Obtaining multiple bids				
Acting as an Attorney in Fact				
Lease renewal or extension				
Making scheduled payments on trust, mortgage, Condo/HOA as shown on PMIF from Landlord's account.				

5. **Agent shall not be responsible for the default or any consequence in the terms of any trust or mortgage or payment. In case the disbursements are in excess of the receipts, the Landlord agrees to pay such excess promptly. The Agent is not obligated to advance its own funds on behalf of the Landlord.**

6. **Expense reimbursement:** Agent shall be reimbursed for actual costs of materials or services expended on behalf of Landlord. Such services shall include, but not be limited to: Long distance telephone or copying charges, postage, key duplication, faxing, mileage, duplicate/reprinting statements, and advertising.

7. **Landlord and Agent mutually agree that:**

A. Landlord will maintain on deposit with the Agent, a minimum balance of \$ \_\_\_\_\_ in a contingency reserve account. When Agent is required to make payments on mortgages, HOA or Condo fees, taxes or insurance, Landlord is required to maintain on deposit actual amounts due for these expenditures. Landlord shall give Agent \_\_\_\_\_ days advance notice to make any additional monthly or recurring payments. Landlord deposits are held in an escrow account which may bear interest. Agent shall not be required to pay interest to Landlord.

B. Landlord will provide the Agent with all current warranties, service contracts, and the names and phone numbers of any tradespeople Landlord wants the Agent to use for routine service. Agent will attempt to use these contractors. Landlord will provide Agent with a list of known defects which may affect habitability.

- C. Agent is not required to advance funds on the Landlord's behalf. If the balance in the Owners reserve account falls below the amount required, the Landlord shall remit funds to replenish the account. Agent reserves a first lien against the Premises and the rents collected or to be collected under a Deed of Lease for any expenditures made by the Agent for the benefit of the Landlord and not reimbursed to Agent by Landlord. If the Agent advances any funds to pay any expenses for the Landlord, such advance shall be considered a loan subject to repayment with interest at \_\_\_\_\_ per annum. The Landlord shall reimburse the Agent, including interest. The Agent may deduct such amounts from funds due the Landlord. Landlord will pay any attorney fees expended to collect unpaid sums and interest due agent.
- D. Landlord shall be responsible for obtaining and maintaining any rental licenses required by any governmental body. Landlord represents that the Premises are in compliance with local zoning and building codes. Smoke detectors are installed as required. The building  was or  was not built prior to 1978. Lead based paint tests  have (copy attached)  have not been performed. Radon tests  have (copy attached)  have not been performed.
- E. Landlord will provide Agent with copies of fire insurance policies and carry public liability insurance with a minimum coverage of \$ \_\_\_\_\_ naming the Agent as additional insured. Unless the Landlord provides a certificate of coverage to the Agent within \_\_\_\_\_ days, the Agent may contract for such coverage at the Landlord's expense. Coverage for code enforcement, water damage, flood or sewer backup, and rent replacement are also suggested.
- F. Landlord will provide vandalism coverage for any Premises vacant more than 30 days. Landlord shall indemnify and hold harmless Agent from all costs, expenses, suits, liabilities, damages and claims of every type, unless the Agent is adjudicated to have been negligent. Landlord shall indemnify and hold harmless Agent from all claims arising from bankruptcy or foreclosure against Landlord. The Landlord shall pay all settlements, judgements, damages, liquidated damages, penalties, forfeitures, court costs, collection fees, litigation expenses and reasonable attorney's fees for suits initiated or defended on his behalf.
- G. Landlord shall pay all expenses incurred by Agent in any proceeding or suit involving an alleged violation by the Agent or Landlord of any constitutional provision, statute, law, or regulation pertaining to fair employment, fair credit, fair housing, disability access, or environmental protection during the Agent's performance of duties under this Agreement, unless the Agent is adjudicated to have personally, and not in a representative capacity violated the law, statute or provision. Agent is not required to employ counsel to represent Landlord in any such proceeding or suit.
8. **Resident Agent for Non-Resident Landlord:** Any individual nonresident of Virginia who owns and leases residential real Property consisting of more than four units in Virginia shall have an Agent who is a resident and maintains a business office within the Commonwealth of Virginia. The Landlord designates:  
 Name: \_\_\_\_\_  
 Address: \_\_\_\_\_ VA, \_\_\_\_\_  
 Phone: \_\_\_\_\_ as the Resident Agent.
9. **Contact Person:** If Landlord is a partnership, trust, corporation or other entity, or if Landlord consists of two or more individuals, the Landlord agrees that the following designated individual shall have the authority to act on behalf of the entity for all purposes of this Agreement and that notice by Agent to this individual shall constitute notice to Landlord:  
 Name: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 Phone: \_\_\_\_\_
10. **Tax Reports:** Landlord  is  is not a nonresident alien. Landlord  is  is not a resident of Virginia. Landlord is responsible for filing the appropriate forms with the Internal Revenue Service (IRS) and for non-residential property owners with the Virginia Department of Taxation.

11. **Termination:**

- A. This Agreement may be terminated by either Party with \_\_\_\_\_ days Notice. In the event Landlord terminates this Agreement during the original term or any subsequent renewal period, or in the event of a foreclosure or sale, Agent shall be entitled to an early termination fee equal to \_\_\_\_\_ % of all gross rents due under the remaining Lease term as of the effective date of termination. Agent shall forward Tenant's security deposit to Landlord and Notice of mailing to Tenant. As of mailing, Agent shall have no further obligation or liability concerning the security deposit. Landlord's reserve account shall be distributed within \_\_\_\_\_ days after termination, less any outstanding invoices or obligations and the early termination fee, along with an accounting of funds. Should there be any outstanding obligations against the Landlord's account or a deficit in that account, any amounts received by Agent shall be applied first to satisfy those obligations and then disbursed to Landlord. Landlord waives all protest and defenses against Agent for these disbursements. Landlord agrees to remit immediately to Agent all monies due Agent in accordance with this Agreement.

- B. Landlord must give \_\_\_\_\_ days Notice with documentation in accordance with the terms of the Lease to terminate this Agreement in order to occupy the Premises. This Agreement terminates with the departure of the Tenant and return of the deposit, unless the Agent is requested to prepare the Premises for the return of the Landlord. Should Tenant fail to depart after receiving proper Notice, this Agreement terminates on the final day of the Notice period.
- C. All representations of the Parties to this Agreement shall survive Termination of the Agreement

12. **Applicable Law:** The execution, interpretation and performance of this Agreement shall in all respects be controlled and governed by the laws of the Commonwealth of Virginia. If any part of this Agreement shall be declared invalid or unenforceable, the remainder of the Agreement will continue in full force and effect.

13. **Fair Housing:** Landlord agrees that Agent shall manage the premises in accordance with all applicable Fair Housing Laws and Regulations and shall not discriminate against anyone because of race, color, religion, sex, national origin, age, familial status, sexual orientation or handicap as currently defined by law.

14. **Attorney's Fees:** In the event of any dispute, litigation or arbitration arising out of or relating to this Agreement, including non-payment of fees or amounts owed to Agent by Landlord, the prevailing party shall be entitled to recover all costs, including reasonable attorney's fees, incurred by the prevailing party.

15. **Headings:** The headings in this Agreement are for convenience and reference only, and shall not be used to define, limit or expand the meaning of any paragraph or provision.

16. **Virginia Residential Landlord Tenant Act:** Landlord has an ownership interest in \_\_\_\_\_ residential leased properties in Virginia. Landlord's properties  are  are not required to be covered under this Act. If not required, Landlord  wishes or  does not wish Leases to be administered under the Virginia Residential Landlord Tenant Act.

17. **Notices:** Any Notice to Landlord or to Agent required under this Agreement shall be served in writing, by sending such Notice to the addresses stated in this Agreement, or as later designated in writing.

18. **Additional Provisions:**

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Date

\_\_\_\_\_  
Landlord Date

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Landlord Date

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