

**PROPERTY MANAGEMENT AGREEMENT**

**PMA**

This form recommended and approved for, but not restricted to use by, the members of the Pennsylvania Association of REALTORS® (PAR).

Broker (Company) \_\_\_\_\_ Licensee(s) (Name) \_\_\_\_\_

Company Address \_\_\_\_\_ Direct Phone(s) \_\_\_\_\_

Company Phone \_\_\_\_\_ Cell Phone(s) \_\_\_\_\_

Company Fax \_\_\_\_\_ Fax \_\_\_\_\_

Company Fax \_\_\_\_\_ Email \_\_\_\_\_

Owner \_\_\_\_\_

Owner's mailing address \_\_\_\_\_

Phone \_\_\_\_\_ Fax \_\_\_\_\_

E-mail \_\_\_\_\_

**Owner understands that this Property Management Agreement is between Broker and Owner.**

**Does Owner have a Property Management Agreement for this Property with another broker?**  Yes  No

**If yes, explain:** \_\_\_\_\_

**1. PROPERTY**

Address \_\_\_\_\_ ZIP \_\_\_\_\_

Municipality (city, borough, township) \_\_\_\_\_

County \_\_\_\_\_ School District \_\_\_\_\_

Zoning \_\_\_\_\_

Present Use \_\_\_\_\_

Identification (For example, Tax ID #; Parcel #; Lot, Block; Deed Book, Page, Recording Date) \_\_\_\_\_

**2. STARTING & ENDING DATES OF PROPERTY MANAGEMENT AGREEMENT (ALSO CALLED "TERM")**

(A) No Association of REALTORS® has set or recommended the term of this contract. Broker and Owner have discussed and agreed upon the term of this Agreement.

(B) **Starting Date:** This Agreement starts when signed by Broker and Owner, unless otherwise stated here: \_\_\_\_\_

(C) **ending Date:** This Agreement ends at 11:59 PM on \_\_\_\_\_.

**3. RENEWAL TERM**

(A) This Agreement will AUTOMATICALLY RENEW at the Ending Date of this Agreement or at the end of any Renewal Term for the Renewal Term selected below, unless Broker or Owner gives at least \_\_\_\_\_ days (30 if not specified) written notice before Ending Date or before the end of any Renewal Term:

Month-to-month

One year

Other \_\_\_\_\_

(B) This Agreement will TERMINATE on the Ending Date if no Renewal Term has been selected above.

(C) Any renewal will be according to the terms of this Agreement or any written changes to this Agreement.

**4. AUTHORITY OF BROKER**

Owner authorizes Broker to perform the services selected below or described elsewhere in this Agreement:

Collect all rents and additional charges (such as late fees, bounced check fees) from tenants when such amounts become due

Collect and account for security deposits in accordance with applicable law

Draw from the management account to pay all compensation due to Broker under this Agreement (see Broker Fees paragraph)

Draw from the management account to pay utilities and expenses on behalf of Owner (see Utilities and Expenses paragraph)

write and amend leases on behalf of Owner

Renew leases on behalf of Owner

Execute and terminate leases on behalf of Owner

Negotiate and settle disputes with tenant

Institute legal proceedings and carry out eviction proceedings against a tenant before a magisterial district justice (see Legal paragraph)

Make inspections of the Property Broker feels necessary and report the condition of the Property to the Owner

Contract for the performance of maintenance (see Maintenance paragraph)

Turn utilities on and off (see Utilities and Expenses paragraph)

Keep and use lock boxes; copy, hold and distribute keys; and change locks

Screen, approve and deny potential tenants

Other \_\_\_\_\_

Broker/licensee Initials: \_\_\_\_\_ / \_\_\_\_\_

Owner Initials: \_\_\_\_\_ / \_\_\_\_\_

**5. MAINTENANCE**

- (A) If elected in Paragraph 4, Broker may, at Owner's expense, hire contractors to perform any maintenance (upkeep, repairs and renovations) that Broker deems necessary to preserve the Property in its present operating condition, comply with lease requirements, governmental regulations and/or insurance requirements. Broker may only contract for the performance of maintenance up to \$\_\_\_\_\_ (\$250 if not specified) per single instance without prior permission from Owner. Instances costing more than the amount in this paragraph must have prior approval by Owner.
- (B) In the case of an emergency, Broker may, at Owner's expense, perform maintenance without prior approval, even if it exceeds the dollar amount in paragraph 5(A). An emergency is an action required to be taken immediately to avoid the suspension of any essential service to the Property, or to avoid, eliminate or remedy a risk of serious bodily harm to an individual lawfully on the Property.
- (C) Broker will make available to Owner documentation for any maintenance that is performed.
- (D) Broker's fee for performing maintenance, per instance, is:
  - \$\_\_\_\_\_
  - \_\_\_\_\_% of the maintenance cost
  - Other \_\_\_\_\_

**6. BROKER FEES**

- (A) Broker's Fee is \_\_\_\_\_% of gross rental income, or \$\_\_\_\_\_ per month (\$\_\_\_\_\_ per year), whichever is greater.
- (B) Broker's Administrative Fee is \_\_\_\_\_
- (C) Other \_\_\_\_\_
- (D) Owner will reimburse Broker for any expenditures made on behalf of Owner in managing and maintaining the Property. Broker will provide owner with supporting documentation, such as receipts or invoices, where possible.
- (E) Broker may deduct Broker's Fee and all other fees and reimbursements described in this paragraph from gross receipts and collections received before remitting the balance of the receipts and collections to Owner.

**7. INSURANCE**

Owner shall purchase and maintain, at Owner's expense, comprehensive general liability insurance coverage with a minimum combined single limit for bodily injury, personal injury and property damage in scope and amounts adequate to protect the interests of Owner and Broker, but not less than \$\_\_\_\_\_. Such insurance shall include Broker as an additional insured and shall require at least thirty (30) days advanced written notice of cancellation or non-renewal be given to Broker. Broker has advised Owner to consult with his insurance broker and/or agent to determine additional coverages and amounts of coverage advisable for Owner's protection. Broker cannot institute an insurance claim on Owner's behalf.

**8. LIABILITY AND INDEMNIFICATION**

- (A) Broker shall not be liable for any act, omission or error of judgment, nor shall Broker be liable for any condition, change, deterioration, defect of the property, or failure of any of its systems unless Broker is guilty of gross negligence or intentional misconduct.
- (B) Owner shall indemnify, defend and hold harmless Broker, its principals, and employees from any liability imposed upon Broker, adjudicated or otherwise, by (a) all claims and suits for damages arising in connection with or in any manner relating to the Property including, but not limited to, the management of the Property, (b) liability for injuries suffered by any person in or about the Property including, but not limited to, adjacent curbs and sidewalks (c) liability for property damage, and (d) all costs and expenses, including counsel fees for attorneys of Broker's choosing, in connection with the foregoing.

**9. OWNER REPRESENTATIONS**

- (A) Owner will provide Broker:
  1. All documents and information that are deemed necessary by the Broker to properly manage the Property including, but not limited to, a survey, building plans and specifications, deed, variance or special exception approval, tenant leases, existing security deposits, rental license, rental registrations documents, permits, and a list of current service providers, as applicable.
  2. Keys and access to the Property
- (B) Owner will:
  1. Complete, amend and deliver to Broker any disclosures or notices required by law or a lease of the Property
  2. Notify Broker if Owner becomes delinquent in the payment of: any mortgage or other encumbrance secured by the Property, property taxes, property insurance and/or Owners' Condominium or homeowner's association fees.
  3. Refer all communication about property management to Broker.
- (C) Owner will not:
  1. Negotiate with any current tenant in the Property concerning any matter related to the management of the Property without Broker's prior written approval
  2. Enter into a property management agreement with another broker that begins before the Ending Date or the end of any Renewal Term of this Agreement
- (D) Owner will notify Broker immediately if Owner receives any notice of foreclosure. Owner has not received any foreclosure notice(s), unless otherwise stated here: \_\_\_\_\_

**10. RESERVES**

- (A) At the Start Date of this Agreement, Owner will deposit a Reserve Amount of \$ \_\_\_\_\_ (0 if not specified) with Broker to be held in a rental management account for Owner.
- (B) Broker may, at Broker’s discretion, use the reserve to pay any expense related to the leasing and management of the Property.
- (C) If the rental management account balance falls below the Reserve Amount, Broker will notify Owner. within \_\_\_\_\_ days (5 if not specified) Owner will restore the rental management account balance to the Reserve Amount.
- (D) If Owner does not restore the rental management account balance as required, Broker may deduct and deposit into the account the amount(s) necessary to restore the Reserve Amount.

**11. DISBURSEMENT**

- (A) Broker will disburse the Disbursement Amount to Owner on the \_\_\_\_\_ (last if not specified) day of the month. The Disbursement Amount is calculated by subtracting any expenses and the Reserve Amount from the balance of the account .
- (B) All disbursements will be made by check or electronic transfer, unless stated here: \_\_\_\_\_

**12. BANKRUPTCY**

- (A) Broker shall not be held liable in the event of bankruptcy or failure of the depository bank or savings and loan institution in which the monies due the Owner are deposited.
- (B) Broker shall not be held liable in the event of bankruptcy of Owner.

**13. LEGAL**

Owner specifically authorizes Broker to send notices to tenants, and institute legal proceedings before a magisterial district justice to enforce the terms and obligations of the lease, such as collecting past due rent and recovering possession of the property from defaulting tenants.

**14. UTILITIES AND EXPENSES**

Owner and Broker agree to pay for the charges for utilities and services provided for the Property as marked below. If a service is not marked as being paid by the Broker, it is the responsibility of Owner to pay for that service. **Broker will not be responsible for paying for any utilities or service costs that exceed the balance of the rental management account.** Broker is not responsible for loss of service if interrupted by circumstances beyond the Broker’s control. Utility accounts paid by Owner must remain active in Owner’s name until the Ending Date or the end of any Renewal Term. Owner will notify Broker if Owner receives any notices from utility companies of a pending termination of service. Owner will be in default of this Agreement if all utilities and services for which Owner is responsible do not remain active.

Broker	Owner	Broker	Owner
pays	pays	pays	pays
<input type="checkbox"/>	<input type="checkbox"/> Cooking Gas/Fuel	<input type="checkbox"/>	<input type="checkbox"/> Electricity
<input type="checkbox"/>	<input type="checkbox"/> Cable/Satellite Television	<input type="checkbox"/>	<input type="checkbox"/> Internet
<input type="checkbox"/>	<input type="checkbox"/> Heat _____ (type)	<input type="checkbox"/>	<input type="checkbox"/> Hot water _____ (type)
<input type="checkbox"/>	<input type="checkbox"/> Parking Fee	<input type="checkbox"/>	<input type="checkbox"/> Cold water
<input type="checkbox"/>	<input type="checkbox"/> Trash Removal	<input type="checkbox"/>	<input type="checkbox"/> Pest/Rodent Control/Bed Bugs
<input type="checkbox"/>	<input type="checkbox"/> Recycling Removal	<input type="checkbox"/>	<input type="checkbox"/> Snow/Ice Removal
<input type="checkbox"/>	<input type="checkbox"/> Sewage Fees	<input type="checkbox"/>	<input type="checkbox"/> Telephone Service
<input type="checkbox"/>	<input type="checkbox"/> Sewer Maintenance	<input type="checkbox"/>	<input type="checkbox"/> Lawn and Shrubbery Care
<input type="checkbox"/>	<input type="checkbox"/> Heater Maintenance	<input type="checkbox"/>	<input type="checkbox"/> Mortgage
<input type="checkbox"/>	<input type="checkbox"/> Property Taxes	<input type="checkbox"/>	<input type="checkbox"/> Licensing Fees
<input type="checkbox"/>	<input type="checkbox"/> Condominium/Homeowners Association Fee	<input type="checkbox"/>	<input type="checkbox"/> Insurance
<input type="checkbox"/>	<input type="checkbox"/> _____	<input type="checkbox"/>	<input type="checkbox"/> _____

Comments: \_\_\_\_\_

**15. NOTICE TO PERSONS OFFERING TO SELL OR RENT HOUSING IN PENNSYLVANIA**

your attention is directed to the provisions of the Pennsylvania Human Relations Act, Act of October 27, 1955, as amended (43 P. S. § 951 et seq.). This law prohibits discrimination because of race, color, sex, religion, ancestry or national origin in the selling, leasing or financing of residential housing. All housing offered for sale is subject to the provisions of the law. In the rental of housing, the provisions of the law apply to all residences except (1) single or two-unit buildings in which one of the units is occupied by the owner or lessee, and (2) rooms in a landlord-occupied rooming house with a common entrance. The only general category of housing which is exempt from the provisions of the law is housing owned by religious, charitable, educational, private and fraternal organizations, and used to promote the religious principles or the aims, purposes or fraternal principles for which such organizations were established. Note: An amendment to the Real Estate Brokers License Act of May 1, 1929, act of October 11, 1967, makes it unlawful for a real estate broker or salesman to accept a listing with an understanding that illegal discrimination in the sale or rental of housing is to be practiced. The rules and regulations of the Pennsylvania Human Relations Commission (16 Pa. Code §...

\* \* \* Free PDF Preview End \* \* \*

Purchase Required To Gain Total Access

Visit [www.propmgmtforms.com](http://www.propmgmtforms.com) To Purchase *Property Management Forms Package*