



**VIRGINIA REALTORS®
RESIDENTIAL PROPERTY MANAGEMENT
AND EXCLUSIVE RENTAL AGREEMENT**



(This is a legally binding contract; if not understood, seek competent advice before signing)

PRINCIPALS This Agreement, entered into this _____ day of _____, _____, by and between _____, _____, ("Owner"), and _____ (firm/broker name), ("Agent").

ADDRESS/ TERM Owner hereby employs Agent as sole and exclusive agent to rent and manage property known as _____ (the "Property"), upon the terms hereinafter set forth, beginning on the date above, and continuing until _____, as may be extended, and subject to the provisions set forth in Paragraph 37 of this Agreement.

OWNER'S REPRESENTATIONS Owner represents to Agent that Owner is the fee simple owner of the Property, that no other owner's consent is required to enter into this Agreement, and that neither Owner nor the Property is the subject of any pending or threatened bankruptcy or foreclosure or other legal action affecting the Property, and that all financings and taxes affecting the Property are paid current. Owner is OR is not a nonresident property owner, and owns _____ number of residential rental units in the Commonwealth of Virginia. Owner agrees to pay the applicable estimated income taxes due to the Commonwealth of Virginia, and/or any Business/Professional/Occupational/Licenses (BPOL) taxes due to any locality, for any property that is owned by a nonresident owner who owns more than four residential rental units in the Commonwealth. The Property is OR is not located in a homeowners', condominium, property owners' or similar association. If it is in such an association, any and all dues and/or assessments are paid in full as of the date hereof, and Owner shall be required to timely pay such association dues and/or assessments during the term of this Agreement.

AGENT AGREES TO:

PROCURE TENANT'S LEASE 1. Make all diligent efforts to procure a suitable tenant as soon as possible at a monthly rent of \$ _____ or other amount as may be agreed upon, or at a rate the Agent determines is the current fair market rental rate, but not less than \$ _____. For multi-family properties or communities, the rent schedule is attached hereto and made a part hereof.

2. Negotiate and execute leases, renewals, or subsequent leases on behalf of the Owner, as in Agent's best judgment provide a fair return to Owner, and are consistent with Owner's instructions. Leases are to be written on the lease form provided by Agent.

COLLECT RENTS 3. Collect all rents and other charges which become due in accordance with the terms of the lease, exercising due diligence in this pursuit, but nothing in this Agreement shall be construed as a guarantee by Agent of the payment of rents or other charges by a tenant.

SECURITY DEPOSIT 4. Collect from a tenant a security deposit equivalent to one month's rent (or such other amount as approved in advance in writing by Owner) and to hold the security deposit of the tenant in an escrow account established and maintained in accordance with the regulations of the Virginia Real Estate Board unless otherwise agreed to in the lease. When the tenant vacates the Property, return to the tenant

the security deposit with any interest as may be required by law, less any and all proper deductions. Any interest earned above the statutory interest payable to the tenant will be retained by Agent to cover administrative costs.

RECORD
STATEMENTS

5. Keep accurate records of the rent receipts and expenditures for the Property and furnish Owner with accounting statements and detailed annual statement of receipts and disbursements for tax purposes, with IRS Form 1099 indicating rents received for the Property.

REMIT NET RENT

6. Promptly remit directly to Owner, or to deposit in the account of Owner, as directed by Owner, the balance of all sums due Owner under the terms of this Agreement. This remittance will be forwarded by the _____ of each month, provided the rent and other fees as applicable have been collected by this date. Notwithstanding the preceding, Agent shall have the right to retain rent payments during the last month of a lease for a period not to exceed _____ days, in order to pay any outstanding invoices, the costs to prepare the Property for re-rental, and any other costs that may be reimbursable under the terms of this Agreement.

REPAIRS/
MAINTENANCE OF
PROPERTY

7. Except as otherwise provided in this Agreement, make or cause to be made all repairs, replacements, alterations, or decorations to the Property. Agent shall enter into agreements in the name of Owner for all necessary repairs, maintenance (to include changing locks as deemed necessary by Agent), minor alterations, utility services, and other services to and for the Property. Agent is hereby authorized to spend up to \$ _____ for any one repair or maintenance item, without Owner's prior consent. Agent is further authorized to pay for repairs, services, and any related expenses, in the event of an emergency (as determined by Agent); the repairs are required by the lease; federal, state, or local laws or regulations; or after reasonable efforts Agent is unable to reach Owner.

FORMS

8. Owner and Agent agree to use the Virginia REALTORS® standard document forms, and any and all other forms provided by Agent in Agent's sole discretion. Agent shall provide Owner copies of any forms upon the request of Owner.

INSPECTIONS

9. Make inspections of the Property as Agent feels necessary and report matters concerning the condition of the Property to Owner. In the event of vacancy, Agent will take reasonable precautions to safeguard the Property, but Agent is not liable for any damages to the Property of any kind.

OWNER HEREBY DELEGATES TO AGENT THE FOLLOWING AUTHORITY AND POWERS (ALL OF WHICH MAY BE EXERCISED IN THE NAME OF OWNER) AND AGREES TO ASSUME ALL EXPENSES IN CONNECTION THEREWITH:

ADVERTISE, SIGN,
LOCKBOX, MLS,
RENT SIGN

10. Advertise the Property, display signs thereon (unless prohibited by local ordinance), place a common key lockbox upon the Property, and make a blanket unilateral offer of cooperation to real estate brokers and participants in any common source information service, including multiple listing service, that Agent deems appropriate. Owner hereby authorizes Agent to advertise the Property on any common source information service including multiple listing service, and on the internet and other media for the purpose of marketing the Property, provided Agent has the proper authority to enter information into such service.

- RENEW/ CANCEL 11. Investigate credit references of prospective tenants, sign leases, renew and/or cancel existing leases, and prepare and execute new leases in accordance with terms provided by Owner.
- COLLECT RENTS 12. Collect rents and other charges that become due and give receipts therefore, and deposit all funds collected hereunder in Agent's rental account.
- COLLECT OTHER CHARGES 13. Collect from tenant all or any of the following: charges for late rent payments, bad check and related charges and penalties, credit report fees, subleasing or early termination of lease charges including commission, and any administrative fees authorized by the lease or Virginia law. Agent shall be entitled to retain such charges or commission to cover administrative costs.
- COLLECT/REFUND SECURITY DEPOSITS PAYMENTS 14. Collect security deposits from tenants and refund security deposits, less any proper deductions, and pay interest on such security deposits in accordance with the Virginia Residential Landlord Tenant Act ("VRLTA"). Agent shall be entitled to retain, as administrative expense, one-half of any actual damages incurred, as recoverable by law, if applicant is approved and fails to enter into a lease with Owner, or fails to move into the Property on the commencement date of the lease.
- MAKE PAYMENTS 15. If selected in paragraph 49, make payments on any trust or mortgage on the Property, to pay any real estate taxes, condominium/association fees, common area utility charges, special assessments or other charges against the Property that may come due, and for which Owner is obligated, and pay for same from Owner's account. Failure to maintain adequate funds in Owner's account as specified in paragraph 28 will release Agent from this obligation.
- LEGAL PROCEDURES 16. Terminate tenancies and sign and serve such notices as are deemed necessary and appropriate by Agent. Agent shall institute and prosecute actions to evict tenants, to recover possession of the Property, and to sue for and recover rent. Agent reserves the right to settle, compromise, and release legal actions or reinstate such tenancies, as Agent sees fit or appropriate. Owner hereby appoints Agent as Owner's attorney in fact with full power to do all things appropriate that Owner might do to collect from any tenant or other party any and all amounts due and owing to Owner in relation to the Property and the matters contemplated by this Agreement, including, without limitation, prosecution of suits and actions for rent, damages, unlawful detainer, eviction, and other legal or equitable actions. Any legal costs incurred by Agent pursuant to this Section 16 shall be paid by Owner.
- HIRING CONTRACTORS 17. Hire, discharge and supervise, in the name of Owner, all labor and contractors required for the operation and maintenance of the Property; it being agreed that all contractors shall be deemed contractors of Owner and not of Agent, and Owner will have all obligations arising from such contracts. Agent may perform any of its duties through Owner's attorneys, agents, or contractors and shall not be responsible for their acts, defaults, or negligence if reasonable care by Agent has been exercised in their employment and retention. Owner grants Agent the authority to make decisions under this Agreement in Agent's sole and absolute discretion.

OWNER HEREBY AGREES TO PAY AGENT:

- PROCURRING FEE 18. A fee of _____ when a tenant has been procured and the lease is executed, or as otherwise agreed by the parties. Such amount may be paid to a cooperating broker or to Agent, as applicable. This

procuring fee is separate from the management fee described below in Paragraph 21. This fee is earned when the lease is executed.

- SET-UP FEE 19. A one-time, non-refundable administrative set-up fee of \$ _____ is due at the time of signing this Agreement.
- RENEWAL FEE 20. An additional fee of \$ _____ upon lease renewal or extension.
- MANAGEMENT FEE 21. For the management services of Agent, a management fee of _____ percent of all gross rentals collected by the Agent, or a minimum of \$ _____. The management fee is payable on all rents during the original term, any renewals, extensions, expansions, replacements, relocations, or new leaseings between Owner and tenant, or Owner's successors and assigns, including, without limitation, or any entity affiliated with, controlled or owned by or under common control or ownership with Owner. No sale of the Property shall release Owner or its successor or assigns from the obligations under this Agreement. Owner agrees that, at the request of Agent, all leases for the Property will contain a provision incorporating the commission rights of Agent hereunder. Agent shall have the right to collect all rents due hereunder so that its fees and commissions may be paid in installments as the rent is received and retained by Agent before remitting the rent (less such fees or commissions) to Owner but if any act be done to deprive Agent of its right to collect the rent, then the entire amount of its fees and commissions earned but then unpaid shall, at Agent's option, become immediately due and payable.
- NON-MANAGEMENT FEES 22. A fee of \$ _____ for the cost of any non-management services provided. Non-management services may include, without limitation, procuring third party vendors, which Agent may or may not have an ownership interest in, or certain work performed by employees of Agent.
- SALE 23. In addition to any leasing, management or other fee payable hereunder, a sales fee equal to _____ if the Property is sold during the lease term or up to 180 days following the expiration of the lease term, to a purchaser procured by Agent, or to any entity affiliated with, controlled by or under joint ownership or control with such Owner or any of its owners or principals.

OWNER HEREBY FURTHER AGREES TO:

- LIABILITY INSURANCE 24. Indemnify, defend, and save Agent harmless from all suits in connection with the Property and from liability for damage to Property and injuries to or death of any employee of Agent or any contractor or other person whomsoever, and to carry at his own expense property damage insurance with the minimum coverage amount of \$ _____, and liability insurance with the minimum coverage amount of \$ _____, naming Owner and Agent as co-insured (if permitted by the insurance carrier) on such policies to protect their interests, in form and substance satisfactory to Agent, and to furnish Agent a certificate evidencing the existence of such insurance coverages.
- FIRE INSURANCE 25. Provide Agent with a copy of the fire and hazard insurance dwelling policy in force which shall include coverage for rent loss in the event the Property should become uninhabitable or in the event of vacancies in excess of thirty days, as well as adequate coverage for vandalism.

- INDEMNIFICATION AND RELEASE 26. Indemnify and save Agent harmless against (i) all claims for damages arising out of alleged violations by Agent in a representative capacity, or Owner, or both, of any constitutional provision, statute, ordinance or regulation, federal, state or local, which arise out of the offer to lease, leasing, management, or operation of the Property hereunder or otherwise; and (ii) all expenses incurred by Agent in connection with the foregoing, including the reasonable fees and costs of counsel retained to defend Agent; provided, however, that the provisions of this Paragraph shall not apply if a court of competent jurisdiction makes a final determination, which is either upheld on appeal or not appealed within the applicable period of time, that Agent intentionally violated any such constitutional provisions, statute, ordinance, or regulation. Owner hereby releases Agent from any and all claims, liability, or loss suffered by Owner as a result of damage to the Property not covered by Owner's hazard insurance. Except as otherwise provided herein, Owner and Agent do hereby release each other from any and all liability, loss, damage, or claim resulting from any claim and agree to secure from their insurers acknowledgment of such release and a waiver of any rights of subrogation.
- BANKRUPTCY DEPOSITORY 27. Not hold Agent liable in the event of bankruptcy or failure of the depository bank or savings and loan institution in which the monies due Owner are deposited in a fiduciary account.
- MAINTENANCE ACCOUNT 28. Maintain in Owner's account with Agent an amount equal to one month's normal disbursements for such things as mortgage payments, condominium/association dues, other monthly or regular obligations of Owner, plus \$ _____ for maintenance and repairs. Funds are to be accounted for in Agent's escrow account and are to be used for payment of Owner's obligations as otherwise provided in this agreement.
- VRLTA 29. Have the landlord tenant relationship and the lease be governed by the VRLTA.
- PROPERTY AVAILABILITY 30. Make the Property available for lease and occupancy no later than _____, including removal of all of Owner's personal property with the exception of those items listed on the attached Property Management Information Form that will remain in the Property as part of the rental to tenants. If Owner fails to do so, Agent shall have the right to take all reasonable actions, at Owner's sole cost and expense, to prepare the Property for lease and occupancy as soon thereafter as practicable.
- LEAD-BASED PAINT 31. Use a certified lead-based paint renovator for any repairs to the Property which would disturb painted surfaces if the Property was constructed prior to 1978, if required by law.
- UTILITIES 32. Keep and maintain all utilities on in Owner's name during any periods of vacancy of the Property.
- IT IS MUTUALLY AGREED THAT:
- STRUCTURAL CHANGES 33. Owner expressly withholds from Agent any power or authority to make any structural changes in any building or make any other major alterations or additions in or to any such building or equipment therein, or to incur any expenses chargeable to Owner other than expenses related to exercising the express powers above vested in Agent without the prior written direction of Owner, except such emergency repairs as may be required because of danger to life or property or which are immediately necessary for the preservation and safety of the Property or the safety of the tenants and occupants thereof, or are required to avoid the suspension of any necessary service to the Property.

- COMPLIANCE WITH LOCAL CODES 34. Agent does not assume and is given no responsibility for compliance of the building on the Property, or any equipment therein, or for compliance with the requirements of any statute, ordinance, law, or regulation of any governmental body or any public authority or official having jurisdiction, except to notify Owner promptly or forward to Owner promptly any complaints, warnings, notices, or summons received by it relating to such matters. Owner represents that to the best of its knowledge the Property and equipment comply with all such requirements and authorizes Agent to disclose the ownership of the Property to any such officials. Owner further agrees to indemnify and hold harmless Agent, its representatives, servants, and employees, of and from all loss, cost, expense, and liability whatsoever which may be imposed on them or any of them by reason of any present or future violation or alleged violation of any laws, ordinances, statutes or regulations.
- MOISTURE AND MOLD REMEDIATION 35. Except as expressly provided in this Agreement, Agent shall have no maintenance obligations with respect to the Property relating to the accumulation of moisture or the presence of mold or other fungus. Agent will notify Owner in writing of any mold condition in the Property of which Agent has actual knowledge; provided, however, that Agent will have no obligation to inspect for such condition except as set forth below. It is expressly agreed that Agent will hire a contractor to address any mold or moisture condition in the Property. Owner agrees to indemnify and hold Agent harmless from and against any and all loss, cost, expense, claim, suit, and liability whatsoever by reason of Owner's failure to perform any maintenance of the Property required to prevent harm or injury to any tenant or the property of any tenant from mold or other fungus, unless Agent has assumed in this Agreement the obligation to perform such maintenance.
- TERMINATION BY AGENT 36. If it is alleged or charged that any building on the Property, or equipment therein, or any act or failure to act by Owner with respect to the Property, or the sale, rental, or other dispositions thereof, fails to comply with, or is in violation of any of the requirements of any constitutional provision, statute, ordinance, law, or regulation of any governmental body or any order or ruling of any public authority or official thereof having jurisdiction thereover, and Agent, in its sole and absolute discretion, considers that the act or position of Owner with respect thereto may result in damage or liability to Agent, Agent shall have the right to cancel this Agreement at any time by written notice to Owner of its selection to do so, which cancellation shall be effective upon the giving of such notice. Such notice may be hand delivered in accordance with Section 55-248.6 of the Code of Virginia or given by regular mail, postage prepaid, with Agent retaining sufficient proof of mailing which may be a U.S. Postal Certificate of Mailing, and if served by mail shall be deemed to have been given when deposited in the U.S. Mail. Owner and Agent may send notices in electronic form. If electronic delivery is used, the sender shall retain sufficient proof of the electronic delivery, which may be an electronic receipt of delivery, a confirmation that the notice was sent by facsimile, or a certificate of service prepared by the sender confirming the electronic delivery. Such cancellation shall not release the indemnities of Owner to Agent and shall not terminate any liability or obligation of Owner to Agent for any payment, reimbursement or other sum of money due and payable to the Agent pursuant to this Agreement.

* * * Free PDF Preview End * * *

Purchase Required To Gain Total Access

Visit www.propmgmtforms.com To Purchase *Property Management Forms Package*