



Cabell Reid LLC

Property Management and Exclusive Rental Agreement

This agreement, made on _____, 20_____, by and between, Cabell Reid LLC hereinafter referred to as "Agent" and _____ hereinafter referred to as "Owner" who represents that he/she has the right to lease the property located at _____.

It is understood that the Agent and the Owner will abide by federal, state and local laws, ordinances and regulations governing fair housing rules and practices regarding discrimination, as well as all other pertinent laws. The Property listed herein shall be shown and made available to all persons without regard to race, color, religion, national origin, ancestry, sex, age, marital status, sexual orientation, presence of children, familial status, source of income or physical or mental handicaps.

NOW, THEREFORE, in consideration of the premises and the covenants hereinafter contained, it is hereby agreed by and between the parties hereto as follows:

1. **Employment of the Agent**-The Owner hereby exclusively employs the Agent to rent, lease, operate and manage the property located at _____, upon the terms and conditions hereinafter set forth. This Agreement may be terminated by either party, by notifying the other in writing, at least **sixty (60)** days prior to the date of termination, of its intention to terminate this Agreement. The Property will be available for occupancy on or about _____, 20_____. The Property is within the _____ (Print name of Common Ownership Community, if applicable)

2. **Rental Conditions**-The Owner hereby authorizes the Agent to offer the property for rent at a monthly rental of \$_____, but the Agent shall negotiate and execute leases in his best judgment to secure the highest reasonable rent attainable consistent with the circumstances and existing rental conditions.

Additional Leasing Information:

Term Available: Maximum _____ Minimum _____

Amount of Security Deposit required: \$_____

Pets Accepted: YES NO Smokers Accepted: YES NO

_____ CASE BY CASE WITH OWNER APPROVAL

Maximum Number of Occupants: _____

Owner Transfer Clause required: YES NO

Waterbed Accepted: YES NO

3. **Advertising**-Agent is authorized to place a "**For Rent**" sign on the property and to advertise the property for rent. Owner shall pay for all advertising, and the form, content and frequency shall be in the sole discretion of Agent. Owner also agrees to post **\$500** with Agent in advance of any advertising being placed by Agent. Unused advertising dollars shall be refunded to Owner. If the Owner exercises this right to terminate this Agreement, prior to the property being leased, the Owner shall pay to the Agent only the advertising and other costs actually expended by the Agent in attempting to lease the property. Additionally, any leasing fee shall be paid if a tenant has been shown the property prior to the termination of this Agreement even though the execution of the lease occurs after the termination.

4. **Leasing Fee**-Owner agrees to pay Agent a leasing fee when a tenant has been obtained and a lease agreement is consummated. This leasing fee is separate and apart from the property management fee specified in Paragraph 5. The leasing fee shall be equal to **one month rent**. Owner agrees to pay when a tenant has been obtained who is ready, willing and able to lease the premises on the terms and conditions set forth herein or any variance from those terms in which the Owner may agree. Agent may retain said fees, or portion thereof from the first full month's rent paid by Tenant.

5. **Management Fee**-Owner covenants and agrees to pay as compensation for the property management services of Agent (in addition to the leasing fee) a fee of _____ of all gross rentals collected by Agent per month or a minimum of **\$50** per month, whichever is greater.

6. **Repair Authorization**-Except as provided herein, Owner authorizes Agent and Agent agrees to attend to the making of necessary and proper maintenance, repairs, cleaning and decorations in and to the property and the purchase of incidental supplies thereof at the Owner's expense. To this end, Owner agrees to deposit the sum of \$_____ with Agent to make routine repairs and work above and beyond routine property management duties.

a). **Costs of Repairs**-Costs of appliances, hot water heaters, furnaces, other repairs and/or, replacements shall be billed to Owner at actual contract costs to the Agent. The Agent reserves the right to bill Owner for any improvements at the actual contract cost to the Agent plus a fee of up to 10% for administrative work and supervision. A reasonable charge may be made for time or charges made necessary by governmental laws or regulations and compliance with such rules or regulations, or excessive time spent in protecting the Owner's interests in any way, such as legal actions or inspections.

b). **Contingency Reserve**- A contingency reserve, in the amount of **\$500**, is to be maintained from the balance of rent monies or by additional funds paid promptly by Owner upon request from Agent during the term of this Agreement.. Except in the event of emergencies, expenditures exceeding **\$500** will be made by Agent only after being authorized to do so by Owner. It is agreed and understood that emergency repairs are those which in the opinion of the Agent are expedient, desirable or necessary for the health, comfort and safety of the tenant or for the protection of the property or to maintain services to the tenant as called for by the tenancy, which repairs the Agent is authorized to make. The decision of the Agent will be accepted as final in any of the foregoing instances and charges for the same shall be billed to the Owner.

c). **Account Disbursements and Reimbursements**- If the Owner requests and authorizes the Agent to make payments on the trusts or mortgages secured by the property, Owner will keep his account funded with Agent in an amount sufficient to cover the monthly costs of the trusts, mortgages or expenses on the property. The Agent agrees, upon request and authorization by Owner, to make timely payments on any trust or mortgage secured by the said property in accordance with a schedule of payments and account numbers supplied by Owner to the Agent; provided, however, that there are sufficient funds immediately available in Owner's account with Agent for that purpose. The Agent will not be expected nor obligated to advance or disburse any of its own money, or any money owed as compensation to Agent for its services hereunder for that purpose nor shall Agent be liable in any way for the default or any consequences thereof in the terms of any trust or mortgage. Agent may in its sole discretion make payments on said trusts or mortgages in the event that there is a deficiency, but is under no obligation to do so whatsoever. It shall be the responsibility of the Owner to reimburse Agent within ten (10) days of notice of said payment; Owner expressly consents to said payments being advanced and made by Agent without Owner's prior approval. If reimbursement is not made to Agent within the aforementioned ten (10) day period, the this Agreement may be terminated in the sole discretion of the Agent on the first day of the second month following the aforesaid payment provided that prompt written notice of said termination is given to Owner. In the event that the Owner, after having been given ten days notice of monies advance by Agent, fails to reimburse the Agent for said monies advanced on Owner's behalf by Agent, the Agent shall, at his sole option and discretion, have the option to charge 1.5% per month interest on said unpaid balance, as well as the right to apply any of Owner's monies to pay said advancements and/or to pursue any legal equitable remedies.

7. **Rental Accounting**-The Agent agrees to use its best efforts to procure a suitable tenant for vacancies as they occur in the property in accordance with a schedule of rentals supplied by the Owner to the Agent and to endeavor to collect all rentals which become due in accordance with the terms of any lease now in existence on the aforementioned property, or which might be executed in the future by the Agent for the Owner, exercising due diligence in this pursuit, but nothing in the Agreement shall be construed as a guarantee by the Agent of the payment of rents or other charges by the tenant. Agent shall keep accurate records of the receipts and expenditures for said property and furnish the Owner with such data from time to time as the Owner may require.

Agent will make disbursements to the Owner _____ monthly, _____ quarterly_____ other (see paragraph 13)

8. **Sale of Property to the Tenant**-In the Event the property is sold to the tenant during the tenancy any renewal or extension thereof, or within **sixty (60)** days after the termination of any tenancy, Owner agrees to pay Agent a brokerage fee equal to **six (6)%** of the gross sales price.

9. **EXCLUSIVE RIGHT TO SELL**- Because the efforts of the Agent in effectively managing the property described in this Agreement will enhance its value and contribute to its marketability and because the real estate license laws of the State of Maryland, the Commonwealth of Virginia, and the District of Columbia require that a licensee may not show a property for sale or negotiate a sale without having a written listing agreement on the property, and because the Agent may know of opportunities to sell the property and may wish to show and negotiate offers on the property when he feels that they may be in the best interest of the Owner, it is agreed that if the Owner decides to sell or exchange said property during the period of this Agreement or within **ninety (90)** days following the termination of any lease agreement obtained by the Agent, or any extension thereof, the Agent shall have the **EXCLUSIVE RIGHT TO SELL** or exchange the property at a price and terms acceptable to the Owner and may accept a deposit therefore, and in case of such sale or exchange, the Owner agrees to pay agent a fee of **six (6)%** of the sale or exchange price.

Paragraph 9 is hereby: _____ **included** _____ **excluded from this agreement.** **Owner Initials** _____

10. **Multiple Listing System**-The property shall _____ shall not _____ be entered into the rental Multiple Listing system of the Metropolitan Regional Information System, Inc.

Owner authorizes Agent to cooperate with Brokers representing tenants (or buyers) in the rental (or sale) of the property. YES / NO

Owner Initials _____

11. **Dual Agency**-In the event of Dual Agency and either the Owner or Agent declines to consent in writing to Dual Agency, the Agent may terminate the agency relationship with the Tenant and continue to represent the Owner under this rental listing Agreement. If there is no consent to Dual Agency and the Agent elects to continue to represent the Tenant, this rental listing Agreement shall be terminated upon written notice to the other party of the refusal to consent to Dual Agency. In such event, the Owner must either represent himself or herself or arrange to be represented by an Agent from another real estate company. Compensation to Agent shall be paid in accordance with the terms hereof.

12. **KeyBox/Lockbox**-Authorization _____ is given _____ is not given to install a KeyBox on the door of said property for the convenience and use of Cabell Reid LLC employees and any real estate salesperson and/or broker who is a Member of a REALTORS ASSOCIATION to show the property to prospective Tenants/Purchasers, inspectors, contractors, exterminators, appraisers or other necessary parties. Owner agrees for himself, his heirs and assigns to completely indemnify, save and hold harmless said Cabell Reid LLC employees and said REALTOR ASSOCIATION and its brokers, salespeople, cooperating brokers, agents, and all above parties from any and all claim, loss or liability arising from the use of said KeyBox.

Owner Initials _____

13. Additional Provisions:

THE AGENT AGREES TO THE FOLLOWING:

14. **Agent Diligence**-The Agent covenants and agrees to use diligence in the management of said property during the period of this Agreement until termination of same, and to furnish the services of Agent's organization for the leasing, rental, operation and management of the Owner's property.

15. **Security Deposits**-The Agent is directed to deposit promptly all security deposits received under newly executed leases in a federally insured Banking or Savings Institution within thirty (30) days of receipt of the deposit. This account shall be devoted exclusively to security deposits, labeled Escrow Accounts, and shall bear interest. Interest received is to be paid first to the tenant in an amount as required by the laws of the applicable jurisdiction, and any residual amount may be retained by the Agent as compensation for administering and accounting for the payment due tenant. Any late charges, returned check fees or other fees collected by the Agent from the tenant under the lease shall be retained by the Agent as compensation for the additional work, time and administrative expense involved.

16. **Owner Funds**-The Agent agrees to deposit all receipts collected for Owner (less any amount which the Agent is authorized to deduct therefrom) in a trust or escrow account in a Federally insured Banking or Savings Institution, separate from Agent's personal account. Agent shall not be held liable for any loss caused by bankruptcy or failure of the bank or institution in which the Owner's funds are deposited. Agent to render monthly statements of the Owner's account detailing all income and expenses.

17. **Collection of Rents**-Agent shall use its best efforts to collect said rents as and when the same become due and payable without recourse to legal action. However, Agent has the right to hire an attorney at no cost to it to institute legal action in the name of the Owner or Agent, at the Owner's sole expense, for rental and other expense items due from tenant and/or for repossession of the property occupied by delinquent tenants or tenants in violation of lease covenants. When expedient and in the Owner's best interest, the Agent shall settle, compromise and release such actions of lawsuits or reinstate such covenants, including non-possessory claims.

18. **Property Inspections**-Agent to report on inspections of the property during the life of this agreement and upon vacating of the premises by each tenant. Agent to take any action necessary to secure the safety and sound maintenance of the premises, the cost of such actions to be borne by the Owner. Expenses under this paragraph shall be guided by paragraph 6 of this agreement.

THE OWNER AGREES TO THE FOLLOWING:

19. **Ministerial Acts**-Owner agrees that the Agent may perform ministerial acts for the Owner and tenant. A ministerial act is an act that the Agent performs on behalf of the Owner or Tenant after the execution of a lease or rental application; an act that assists the Tenant to complete or fulfill a lease Agreement; or an act that does not involve discretion or the exercise of the Agent's own judgment.

20. **Owner/Tenant Representation**-Owner acknowledges that Agent may represent other owners who have similar properties for rent. Owner also acknowledges that Agent may represent Tenants who are looking for similar properties to rent. Owner acknowledges that Agent may show other available properties to prospective Tenants.

21. **Insurance**-The Owner agrees to indemnify, hold harmless, and save Agent from any and all liability for damages to persons or property arising out of the condition of the premises or the use thereof that is beyond the control of the Agent and from any expense in connection with any claim for damages. **Owner will provide or otherwise authorize Agent to order, at Owner's expense, an Owner-Landlord-Tenant Liability insurance policy, minimum coverage to be \$500,000, to save the Owner and the Agent harmless from any suit involving liability.** In the event that the insurance certificate is not received by Agent within five (5) days from the execution hereof, Agent may obtain such insurance at Owner's expense. Owner shall make arrangements with his fire and casualty insurance company to provide for adequate vandalism, malicious mischief and extended coverage insurance in the event that the property becomes vacant. Further, Owner agrees to defend promptly and diligently, at Owner's expense, any claim, civil or criminal action, proceeding, charge or prosecution made instituted or maintained against Agent or Agent and Owner, jointly or severally, arising out of the condition, management or use of the Property, or acts or omissions of employees of Owner in connection therewith, or otherwise, and to hold harmless and fully indemnify Agent from any judgment, loss or settlement on account thereof. Additionally, owner will furnish to Cabell Reid LLC a copy of his/her general property, fire, and casualty insurance policy. **Owner agrees to name Cabell Reid LLC as an "additional interested party" under all insurance policies.**

22. **HOA/Condo Rules and Regulations**-Owner is responsible for providing Agent with any and all common ownership community or management rules and regulations, and Declaration, Covenants and Bylaws, where applicable, currently on file with the local jurisdiction where the property is located. If none are provided, Agent is authorized to obtain same at Owner's expense.

Owner Initials _____

23. **Radon Notification**-Owner is responsible for providing Agent with all information known regarding radon in the premises.

24. **Personal Possessions**-Owner agrees that Agent will not be responsible for Owner's personal possessions left on the property.

25. **Utilities**-Owner hereby authorizes Agent to enter into contracts, in Owner's name and at Owner's expense, for electricity, gas, fuel, water, sewer, trash removal and other services to and for Owner's property, when same are not the responsibility of the tenant.

26. **Rental License**-Owner is responsible for obtaining and timely renewing a rental facility license from the local jurisdiction. Owner agrees to indemnify and hold Agent harmless from any liability for damages or loss arising out of Owner's failure to maintain any required rental facility licenses. Owner will provide Agent with a copy of the current rental facility license at time of execution of this Agreement or as soon as the license is obtained, whichever first occurs.

27. **Lead Paint**-Owner is responsible (when applicable) for obtaining a Lead Paint Certificate complying with the local jurisdictional laws regarding lead based paint.

28. **Contractors**-Owner covenants and agrees that any and all personnel required for the operation and maintenance of the premises shall be deemed independent contractors or employees of the Owner and not the Agent; that Agent may perform any of its duties through Owner's attorney, agents or employees or an attorney obtained by the Agent; and that the Agent shall not be responsible for the acts, defaults or negligence of the tenant and/or employees or agents of the Owner, or any employees of independent contractors, if reasonable care has been exercised in their selection, appointment and retention.

29. **Upon Termination**-In the event of the termination of the Agreement for any reason whatsoever, the Agent agrees to remit to Owner an accounting and all monies due Owner as soon as all obligations regarding subject property are satisfied. Owner agrees to remit immediately to Agent all monies due Agent in accordance with this Agreement upon demand by Agent.

30. **Property Taxes/Charges**-Agent is hereby instructed and authorized to pay from Owner's funds all property taxes, special assessments or other charges against the property that may become due. Agent shall have no obligation to advance funds for said payments, but shall promptly give written notification to the Owner if there are not sufficient funds available.

31. **Property Condition**-Owner warrants that the electrical, plumbing, heating and air conditioning and any other mechanical systems and related equipment, including kitchen and laundry appliances included as part of the leases premises, shall be in good operating condition at time of tenant's occupancy. In the event that tenant finds equipment not to be in good operating condition, the Agent is authorized to have said equipment repaired and to deduct the cost from Owner's funds. If said funds are not sufficient, Owner will promptly pay any bills for repairs presented or paid by Agent.

32. **Smoke Detectors**-Owner has been advised that most jurisdictions require, by law, that smoke detectors be installed and in operating condition in accordance with such laws prior to any change in occupancy of a dwelling unit. Owner may contact local municipal governments for information regarding the specific requirement of the Smoke Detector Ordinances and agrees to comply with these requirements.

33. **Survivability of this Agreement**-The terms of this Property Management and Exclusive Rental Agreement shall survive the execution and delivery of any lease herein referenced and shall not be merged therein.

34. **Applicable State Law**-The terms and provisions of this Agreement shall be construed and interpreted pursuant to the laws of the State into which the property is located. If any provision is deemed invalid within this Agreement, it shall not affect the remaining provisions as stated herein which shall be deemed valid and enforceable. Feminine or neuter pronouns shall be substituted for those of the masculine form, and the plural shall be substituted for the singular number, in any place or places herein in which the context may require such substitution.

35. **Nonresident Alien Registration**-If the Landlord is a nonresident alien, individual, foreign partnership, or non-US corporation, the Landlord is required and agrees to complete and submit all required Internal Revenue Service (IRS) forms.

36. **Notices**-Notices require to be given to Owner by this Agreement shall be in writing and effective as of the date on which such notice is delivered to the last known address of the Owner or when mailed to Owner's address as shown on this Agreement. Notices required to be given to Agent by this Agreement shall be in writing and effective as of the date on which such notice is hand delivered or mailed to the address of the Agent as shown on this Agreement.

37. **Agreement Purpose**-This Agreement shall be construed as having been entered into for business and commercial purposes.

38. **Binding Agreement**-This Agreement is entered into and made with complete understanding, accord, and without reservation and shall be binding upon any successors, assigns, executors or heirs of the parties hereto.

Initials Only: _____ **OWNER**
_____ **AGENT**

ADDITIONAL PARAGRAPHS NUMBERED 1 THROUGH 38 SET FORTH ELSEWHERE ARE INCORPORATED AND MADE A PART HEREOF AND ALL PARTIES ACKNOWLEDGE THAT THEY HAVE READ SAID PARAGRAPHS.

IN WITNESS HEREOF, the parties hereto have executed this Agreement in duplicate originals, one of which is retained by each of the parties.

Owner Signature: _____

Owner Signature: _____

Date: _____

Mailing Address: _____

Telephone Number(s): _____

Owner's SSN/Tax ID #: _____

Emergency Contact Name: _____

Emergency Contact Phone #: _____

Broker/Property Manager: Cabell Reid LLC

Agent Signature: _____

Date: _____

Office:

Cabell Reid LLC
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