

# Property Management Agreement

BELOW IS A SAMPLE AGREEMENT, THIS IS ONLY A SAMPLE AGREEMENT AND IS NOT AN ACTUAL CONTRACT. CONTACT OUR OFFICE FOR A FULL AND ACCURATE CONTRACT AT [RENTALINFO@LAKESPROPERTYMGT.COM](mailto:RENTALINFO@LAKESPROPERTYMGT.COM)

This Agreement is made on the date hereinafter set forth, by and between \_\_\_\_\_ hereinafter referred to as "**Owner**", and **Property Management Company L.L.C.**, hereinafter referred to as "**Manager**".

IN CONSIDERATION OF THE MUTUAL PROMISES HEREIN CONTAINED, THE PARTIES DO HEREBY AGREE AS FOLLOWS:

## 1. JOB DESCRIPTION

**Manager** shall act as Owner's exclusive agent to manage and prepare for rent or sale a home located at: \_\_\_\_\_. **Manager** agrees to furnish the full service of his organization, to exert his best efforts, and to exercise the highest degree of professional confidence in managing the property so as to provide Owner(s) with the maximum economic return consistent with sound property management.

## 2. LEASING – If Owner agrees to rent residence.

**Manager** agrees to use his best efforts, utilizing the full range of services and facilities of his organization, to lease home to a qualified tenant(s).

**Manager** agrees to promote the leasing by full use of advertising in local and regional newspapers. The scope, type and amount of advertising will be at the sole judgment of the **Manager**.

**Manager** is authorized to negotiate or execute all leases, renewals and cancellations.

**Manager** may also serve notice on any tenant to quit a property when the Manager deems such notice necessary and is authorized to institute such action or other proceedings as may be deemed advisable in Manger's or Owner's name in order to remove tenant(s), recover rent, charges or other sums payable to Owners. Manager may discontinue or settle any such action or proceeding.

**Manager** agrees to show home to prospective tenant(s), insure tenant application is fully completed, obtain credit check(s), and screen tenants. The screening of tenants will be based on a thorough review of credit, employment and past rental history. The Manager, in accordance with Section 101.22, Wisconsin Statutes, and the Federal Fair Housing Law, will make final tenant selection. **Manager** agrees to pay for credit check.

**Manager** agrees to prepare lease, provide tenant with copy of rules and regulations (if any), and to advise tenant to return Property Inspection Sheet within seven days of beginning of tenancy.

### 3. OPERATIONS AND MAINTENANCE

Upon the request by the Owner, **Manager** shall hire, discharge, and supervise on behalf of Owner, all labor and employees necessary to properly maintain and operate the property. It also being agreed that all employees shall be deemed employees of the **Owner** and not the **Manager**, and that the **Manager** may perform any of its duties through Owner's attorneys, agents, employees and shall not be responsible for their acts, defaults, or negligence if reasonable care has been exercised in the appointment and retention. **Manager** shall also make contracts for all needed utilities such as but not limited to electricity, gas, water, garbage or other services manager deems advisable. The **Owner** to assume the obligations of any contract so entered into at the termination of this agreement.

**Manager** shall cause the property, and its appurtenances and grounds, to be properly maintained including but not limited to interior and exterior painting, cleaning, decoration, plumbing, heating and air conditioning, snow plowing, carpentry, and such other normal repair work as may be necessary.

### 4. INSURANCE COVERAGE

**Owner** agrees to carry at his sole cost and expense, all forms of insurance needed to adequately protect the interest of the **Manager** and **Owner**, the policies for which shall name the **Manager** as well as the **Owner** as the party insured.

### 5. COLLECTIONS AND DISBURSEMENT OF REVENUES

**Manager** shall use his best efforts to collect all rents and revenues from the property.

**Owner** is responsible to insure adequate funds are maintained in owner account to cover normal and emergency expenses. **Manager** shall not be responsible or assume any liability for penalties or late charges or damage to credit ratings in cases where **Manager** is not given funds, with sufficient lead time, to process the necessary transactions and disburse payments through the US Mail.

### 6. FINANCIAL RECORDS AND REPORTS

The **Manager** shall maintain full and complete books and records with correct entries for all income and expense resulting from the operation and management of the Property. Such books of account and records shall be the property of the **Owner** and shall, at all times during regular business hours be open to the inspection of the **Owner** or the duly authorized representative of the **Owner**, at the **Manager's** principal place of business.

The manager shall furnish to **Owner** a detailed statement of all income and expenses for each month, on or before the 15<sup>th</sup> day of the following month. With forty-five (45) days after the close of each accounting year, as determined by **Owner**, the **Manager** shall deliver to **Owner** a detailed Income Statement of all income and expenses of such accounting year, and a balance sheet as of the end of said accounting year. Upon the request of the **Owner**, the **Manager** will provide a Cash Receipts and Cash Disbursements Journals for the entire accounting year.

7. **HOLD HARMLESS**

The **Owner(s)** shall indemnify and save Manager harmless from any and all costs, expenses, attorney's fees, suits, liabilities, damages or claims for damages, including but not limited to those arising out of any injury or death to any person or persons or damage to any property of any kind whatsoever and to whomsoever belonging, including Owner, in any way relating to the management of the premises by Manager or the performance or exercise of any of the duties, obligations, powers or authorities herein or hereafter granted to Manager.

8. **TERM OF AGREEMENT**

This Agreement shall be effective as of the \_\_\_ day of \_\_\_\_\_, and shall be for a term of one year. This Agreement shall be automatically renewed for additional one-year periods unless on or before 60 days prior to the original or renewal expiration date Owner or Manager delivers a written termination notice to the other Party.

Owner does not have the legal right to unilaterally terminate this contract without a material breach of this contract by the Manager. Early termination of the contract prior to the terms of this contract will result in the Owner paying all fees, commissions, contract preparation and expenses due to the Manager.

9. **LEAD-BASED PAINT PROVISIONS**

Owner shall be responsible for identification and elimination of lead-based paint hazards and compliance with all applicable lead-based paint laws. If Property includes "target housing" (pre-1978 residential dwelling units) applicable laws may include federal laws such as the Residential Lead-Based Paint Disclosure Program (Section 1018 of Title X), and the Pre-Renovation Lead Information Rule (40 CFR Part 745).

Per \_\_\_\_\_ (Owner) this property **(is/is not)** in the definition of "target housing".

10. **COMPENSATION**

To Obtain a Tenant with Lease term less than 1 Year:

For service rendered pursuant to this Agreement, **Owner(s)** shall pay **Manager** \_\_\_\_\_ - of the monthly gross rent, payable no later than the 5<sup>th</sup> of each month, for the entire period tenant occupies premise.

To Obtain a Tenant with Lease term equal to or more than 1 year:

For service rendered pursuant to this Agreement, **Owner(s)** shall pay **Manager** \_\_\_\_\_ - of the monthly gross rent, payable no later than the 5<sup>th</sup> of each month, for the entire period tenant occupies premise.

IN WITNESS WHEREOF, the parties hereto have executed the agreement this \_\_\_\_\_.

**MANAGEMENT:**

**PROPERTY OWNER:**