



5105-K Backlick Road
Annandale, VA 22003

info@ppmnva.com

703-642-3010 (voice)
703-642-3619 (fax)

**DISTRICT OF COLUMBIA
PROPERTY MANAGEMENT AND LEASING AGREEMENT**

THIS AGREEMENT entered into _____, by and between

(hereinafter called OWNER), who owns or has the right to lease the Premises as described below, and Professional Property Management of Northern Virginia, Inc. (hereinafter called AGENT) who, in consideration of the covenants contained herein, agree as follows:

1. The OWNER hereby employs the AGENT to rent and exclusively manage the property known as:

_____ (hereinafter referred to as PROPERTY) upon the terms hereinafter set forth, and thereafter unless either party hereto shall notify the other in writing that it elects to terminate the Agreement. In such case, this Agreement shall be terminated upon such notification without penalty or fee. Should this Agreement be terminated for any reason whatsoever, the AGENT agrees to promptly remit to OWNER all funds due OWNER and OWNER agrees to promptly remit to AGENT all funds due AGENT. OWNER acknowledges that AGENT intends to fully comply with all federal, state, and local laws, ordinances, and regulations prohibiting discrimination based on race, color, sex, religion, national origin, mental or physical handicap, familial status, children, elderliness, marital status, ancestry, sexual orientation, or source of income. In signing this Agreement OWNER thereby agrees to also fully comply with said laws, ordinances, and regulations. OWNER states that he does not own more than four rental properties within the District of Columbia that are subject to lease agreements.

2. THE OWNER AGREES TO GIVE THE AGENT THE FOLLOWING AUTHORITY AND POWERS, ALL OR ANY OF WHICH MAY BE EXERCISED IN THE NAME OF THE OWNER:

- (a) to negotiate, prepare, and execute new leases (AGENT is authorized to sign all leases as AGENT for LANDLORD) and to renew and/or cancel existing leases; to collect funds from tenants in accordance with the Deed of Lease; to sign and serve notices as are deemed needful to terminate tenancies; to institute actions and/or prosecute to evict tenants and recover possession of the PROPERTY; to sue for and attempt to recover rent and/or damages; and when expedient, to settle, compromise, and release such actions or suits, or reinstate such tenancies.
- (b) to make or cause to be made, at OWNER's expense any repairs and replacements necessary for the upkeep and protection of the PROPERTY and for operating efficiency thereof in accordance with the requirements of the District of Columbia Landlord/Tenant Law; to order, at OWNER's expense, when required, utilities and/or other services and to pay any subsequent charges for any of the above from OWNER's account. Except for emergency repairs, an expenditure shall not exceed \$200.00 without prior authorization from OWNER.
- (c) to give adequate written notice and appropriate information to the AGENT if payment from OWNER's account is to be made for mortgages, taxes, insurance premiums, homeowners and/or condo fees or any other such disbursements when specifically requested by OWNER.
- (d) to place PROPERTY in multiple listing service when AGENT deems it advantageous for soliciting tenants, to advertise the property for rent if necessary and display signs thereon unless prohibited by local ordinances.

3. OWNER FURTHER AGREES:

- (a) to provide AGENT with copy of fire insurance policies in force and to make arrangements with OWNER's insurance company to provide for adequate theft and/or vandalism coverage in the event of vacancies in PROPERTY in excess of thirty (30) days; and, if OWNER deems it necessary, to provide coverage for water damage. To install or have AGENT install smoke detectors or related equipment required by applicable law or regulation before occupancy by tenants.
- (b) to indemnify, defend, and save the AGENT harmless from all suits in collection with the PROPERTY and from liability for damage to property and injuries to or death of any persons whomsoever, and to carry at OWNER's expense an Owner Landlord Tenant (OLT) liability insurance policy with a minimum liability coverage of \$500,000.00, naming the OWNER and AGENT to protect their interests and in form and substance reasonably satisfactory to the AGENT, and to furnish the AGENT certificates evidencing the existence of such insurance. Unless the OWNER shall provide such insurance and furnish such certificate within fifteen (15) days from the date of this Agreement, the AGENT may, but shall not be obligated to, place said insurance and charge the cost thereof to the account of the OWNER.
- (c) to pay all expenses incurred by the AGENT, including without limitation attorney's fees for counsel employed to represent the AGENT or the OWNER in any proceeding or suit involving an alleged violation by the AGENT or OWNER, or both, of any

constitutional provision, statute, ordinance, law, or regulation of any governmental body pertaining to the Federal Fair Credit Reporting Act, environmental protection, or fair housing, including without limitation, those prohibiting or making origin in the sale, rental, or other disposition of housing or any services rendered in connection therewith (unless the AGENT is finally adjudicated to have personally and not in a representative capacity violated such constitutional provision, statute, ordinance, law, or regulation) but nothing herein contained shall require the AGENT to employ counsel to represent OWNER in any such proceeding or suit.

- (d) to give adequate written notice to the AGENT if payment of mortgage indebtedness, general taxes, special assessments, or the placing of fire or any other insurance is desired.
- (e) that the AGENT shall not be held liable in the event of bankruptcy or failure of the depository bank or building or loan association where the monies due the OWNER are deposited in the fiduciary account. AGENT will keep such deposits in a federally insured depository in the District of Columbia in accordance with District of Columbia law.

4. THE AGENT AGREES TO RENT AND MANAGE THE PROPERTY UNDER THE TERMS SPECIFIED IN PARAGRAPH ONE AND TO ACCEPT THE POWERS AND AUTHORITY GIVEN BY OWNER IN PARAGRAPH TWO OF THIS AGREEMENT, PROVIDING THE OWNER CONCURS THAT AGENT:

- (a) will advertise, display signs, multiple list on computer, and use its best efforts to procure tenants in compliance with District of Columbia Landlord/Tenant Law for vacancies as they occur in the PROPERTY and is not liable nor responsible for loss of income by OWNER due to extended vacancies.
- (b) will negotiate and execute leases at a monthly rent of \$_____ or such other amount which in the AGENT's best judgement will provide a fair, competitive market rent. However, the monthly rent shall be no less than \$_____ without prior authorization from OWNER.
- (c) will collect from the tenant, prior to occupancy of the PROPERTY, rent due in advance, pro-rated from date of occupancy, plus a security deposit equivalent to at least one month's rent or an increased amount required under existing Property Management Policies. Where the management of the PROPERTY is transferred by OWNER to AGENT during the term of a tenant's occupancy, the security deposit in OWNER's possession shall be paid to Professional Property Management upon the commencement of this Agreement. Said security deposit is the property of the tenant is not transferable without tenant's written authorization. It shall be held in escrow by the AGENT for the duration of this Agreement or the lease and any extensions thereof, whichever is less. Afterwards, said security deposit and any accrued interest due tenant, as required by law, will be returned to the tenant less any forfeiture or justifiable deductions for damages. Any such forfeiture or deductions will be credited to OWNER's account. OWNER acknowledges that AGENT may retain excess interest over amount required to be paid to tenant by law to cover costs of administration.
- (d) will endeavor to collect rents when due in accordance with the terms of the lease now in effect or which may be executed in the future, keep accurate records of the receipts, credit them to OWNER's account, and deposit all funds into AGENT's operational account.
- (e) may, at its discretion, collect from the tenants a late rent administrative charge, a non-negotiable check charge, a credit report fee, and a broker's commission upon the releasing of the property at tenant's request. These charges and fees are business related and will not be credited to OWNER's account.
- (f) will make any or all disbursements from OWNER's account with AGENT as authorized in paragraph two and keep accurate records of such disbursements; provided, however, that there are sufficient funds immediately available in said account. In no event shall AGENT be expected or obligated to advance and 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 nor responsible in any way whatsoever for any default or consequences thereof in the terms of any trust or mortgage or payment of rent by tenant. (In case the disbursements and charges shall be excess of the receipts, the OWNER agrees to pay such excess promptly, but nothing herein contained shall obligate the AGENT to advance its own funds on behalf of the OWNER.)
- (g) will make an initial inspection and condition report of the PROPERTY when vacated by OWNER or immediately prior to occupancy of the PROPERTY by a tenant. Subsequent inspections will be made and condition reports prepared when vacancies occur or when deemed necessary by AGENT.
- (h) will, when vacancies occur, take reasonable precautions to safeguard PROPERTY and maintain such in suitable condition for rental purposes. These precautions include but are not limited to the continuance of utility services, lawn care, trimming of shrubs, and removal of trash. Any costs incurred as a result of the above shall be at OWNER's expense.
- (i) will make or cause to be made at OWNER's expense, within the limitations of paragraph two (b) of this Agreement, any repairs and replacements necessary for the upkeep and protection of the PROPERTY and for the operating efficiency thereof, including all appliances left with the PROPERTY as specified on the Management Information Record which is considered part of this Agreement. AGENT will not make or cause to be made, any structural changes or any other major alterations or additions to PROPERTY without the prior written direction of OWNER.
- (j) will provide OWNER with copies of paid invoices; a monthly statement of said account; a year-end summary of OWNER's account; and a Form 1099 indicating rents received for the PROPERTY.

5. IT IS MUTUALLY AGREED THAT:

- (a) this Agreement must have attached to it a completed Management Information Record which shall be provided by the AGENT.
- (b) the OWNER will provide the AGENT with all current warranties on installed equipment, all current contracts for maintenance and/or repair services, and the names and phone numbers of any tradespeople OWNER wishes AGENT to utilize as needed.
- (c) the AGENT reserves a first lien against the PROPERTY and the rents collected or to be collected under a Deed of Lease for any advances or expenditures made by the AGENT for the benefit of the OWNER and real property and improvements thereon and not thereafter reimbursed to AGENT by OWNER.
- (d) OWNER will maintain on deposit in an account with AGENT a minimum balance of \$200.00 for maintenance and repair. When AGENT is required to make payment on First Mortgage, Second Mortgage, Homeowners Dues, or Condominium Fees, OWNER will maintain on deposit in an account with AGENT a total of one month's amount of payment(s) to be made.

OWNER deposits are held in an escrow account which may bear interest, AGENT shall not be required to pay interest to OWNER on deposits.

- (e) OWNER will pay AGENT a leasing commission, separate and apart from the management fee, consisting of one month's rent for a one year lease, and for each additional year or part thereof beyond two years, one quarter (1/4) of a month's rent will be charged when a tenant has been procured and a lease executed. In any instance where the AGENT is required to negotiate and execute a lease renewal or extension the OWNER will pay the AGENT a renewal commission consisting of one quarter (1/4) of the monthly rental figure for each additional year of the lease renewal or extension or a prorated amount for renewals or extensions shorter or longer than one year. Said commissions are to be paid to AGENT out of the proceeds of the rent collected from tenant for the first month's rent of lease period.

If the PROPERTY is a furnished rental the OWNER agrees to pay a leasing commission based on one month's rent for a one year lease. Leases shorter or longer than one year will have the commission prorated based on 8.33% per month of rent.

THE LEASING OR RENEWAL COMMISSION IS NON-REFUNDABLE.

- (f) as compensation for management services, OWNER will pay AGENT a property management fee amounting to 8.25 percent or \$100.00 minimum of the monthly rent. These fees shall be deducted by AGENT from OWNER's account.
- (g) OWNER agrees that if the PROPERTY becomes vacant and is placed on market for sale a full monthly management fee will be assessed if AGENT handles the utilities, continues to make any mortgage, condo or HOA payments or coordinates repairs/improvements to property until the PROPERTY goes to settlement.
- (h) OWNER agrees that if the PROPERTY becomes vacant and owner is returning to PROPERTY a full monthly management fee will be assessed if AGENT handles the utilities, continues to make any mortgage, condo or HOA payments or coordinates repairs/improvements to PROPERTY and generally acts as a caretaker until OWNER arrives to take occupancy.
- (i) OWNER agrees that if the PROPERTY is a furnished rental a minimum fee of \$35.00 per month will be assessed during any vacancy.
- (j) OWNER agrees to pay agent a fee of ten (10) percent of the cost for non-management services rendered at OWNER's request in connection with the PROPERTY. Non-management services are defined as any service performed by AGENT that is, in AGENT's sole discretion, not considered normal management duties. Non-management services include, but are not limited to AGENT's arranging for renovations, additions, and improvements to the PROPERTY.

This Agreement is entered into and made with complete understanding, accord, and without reservations. It shall be binding upon the successors and assigns of the AGENT and the heirs, administrators, executors, successors, and assigns of the OWNER. It is valid only when signed by the Property Manager and upon receipt of information and monies as outlined in paragraphs three (a), (b), (d), and paragraphs five (a) and (d).

In witness, whereof, the parties have affixed or caused to be affixed their respective signatures and seals this _____ day of _____, 20_____.

Listing Agent

Owner

Social Security or Tax ID No.

Property Manager

Owner

Social Security or Tax ID No.