

\_\_\_\_\_  
Real Estate Company

\_\_\_\_\_  
Owner

\_\_\_\_\_  
Address

\_\_\_\_\_  
Address

**PROPERTY MANAGEMENT AGREEMENT**

**Parties** In consideration of the covenants herein contained, \_\_\_\_\_  
(hereinafter called "Agent") and \_\_\_\_\_  
(hereinafter called "Owners") agree as follows:

**Agreement on Fair Housing** 1. This property shall be offered to all persons without respect to race, color, sex, religion, national origin, handicap/disabilities, or familial status.

**Exclusive Agency** 2. The Owner hereby employs the Agent exclusively to rent, lease, operate, and manage the property containing \_\_\_\_\_ units, known as

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
City State Zip Code

(hereinafter called "the premises") for the period of \_\_\_\_\_ months beginning on the \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_, and ending on the \_\_\_\_\_ day of \_\_\_\_\_. Owner agrees to the automatic renewal of this agreement \_\_\_\_\_ Yes \_\_\_\_\_ No

**Renting and Managing** 3. The Agent accepts the employment and agrees:  
(a) to use due diligence in the management of the premises, and agrees to furnish the necessary services for the renting, leasing, operating, and management of the premises;

**Monthly Statements** (b) to render on or before the \_\_\_\_\_ day of each month, a statement of receipts, expenses, and charges, and to remit to Owner receipts less disbursements. In the event the disbursements shall be in the excess of the rents collected by the Agent, the Owner hereby agrees to pay such excess promptly upon demand to the Agent;

**Separate Owner's Funds** (c) to deposit all receipts collected for Owner (less any sums properly deducted as otherwise provided herein) in a Trust Account in

\_\_\_\_\_  
*Name of Bank*

\_\_\_\_\_  
*Address*

\_\_\_\_\_  
*Account Number*

a Kentucky Institution qualified to engage in the banking or trust business, separate from Agent's personal account.

**Bonded Employees**

- (d) Agent's employees who handle or are responsible for Owner's monies shall be bonded by a fidelity bond in an adequate amount.
- (e) to use his best efforts to rent or lease the property at the best current market rental for like property, but in no event less than \_\_\_\_\_ without permission of the owner.
- (f) to collect security deposits in the sum of \$ \_\_\_\_\_ per unit and to deposit all receipts collected for Owner (less any sums properly deducted as otherwise provided herein) in a Trust Account in  
\_\_\_\_\_  
*Name of Bank*  
\_\_\_\_\_  
*Address*  
\_\_\_\_\_  
*Account Number*  
\_\_\_\_\_  
a Kentucky Institution qualified to engage in the banking or trust business, separate from Agent's personal account

**Agent's Authority**

- 4. The Owner gives to the Agent the following authority and powers and agrees to assume the expenses in connection therewith:
  - (a) to advertise the availability for rental of the premises or any part thereof, and to display "for rent" signs thereof; to collect rents due or to become due and give receipts therefor; to terminate tenancies and to sign and serve in the name of the Owner such notices as are appropriate; to institute and to prosecute actions; to evict tenants and to recover possession of said premises; to sue for, in the name of the Owner, and to recover rents and other sums due; and when expedient, to settle, compromise, and release such actions or suits or reinstate such tenancies; and to reimburse Agent for long distance phone calls made on Owner's behalf.

**Repairs**

- (b) to make or cause to be made and supervise repairs and alterations, and to do decorating on said premises; to purchase supplies and pay all bills therefor. The Agent agrees to secure the prior approval of the Owner on all expenditures in excess of \$ \_\_\_\_\_ for any one item, except monthly or recurring operating charges and/or emergency repairs in excess of the maximum, if in the opinion of the Agent such repairs are necessary to protect the property from damage or to maintain services to the tenants as called for in their leases.

**Employees**

- (c) to hire, discharge, and supervise all personnel required for the operation and maintenance of the premises; it being agreed that all employees shall be deemed employees of the \_\_\_\_\_ and not of the \_\_\_\_\_, and that the Agent may perform any of its duties through Owner's attorney, agents, or employees and shall not be responsible for their acts, defaults or negligence if reasonable care has been exercised in their appointment and retention.

**Service Contracts**

- (d) to make contracts for electricity, gas, fuel, sewer service, water, telephone, window cleaning, trash or rubbish hauling, and other services or such of them as the Agent shall deem advisable; the Owner shall assume the obligation of any contract so entered into at the termination of this agreement.

**Payment**

- 5. The Owner authorizes the Agent to deduct from the rental and other receipts, retained in the Trust Account [referred to in 3(c)], all undisputed commissions and other compensation of the Agent earned under Paragraph 7 of this agreement and all costs, repairs and expenses authorized under Paragraph 4(a)-(d) of this agreement, subject to restriction contained in 5(a) and (b) below.
  - (a) Under no circumstances can Agent withdraw or deduct funds from rental receipts, if the Owner's balance in said trust account does not exceed \$ \_\_\_\_\_.
  - (b) If said account does not exceed this sum, then the costs, repairs and expenses will be paid in the following manner: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**Save Harmless**

- 6. The Owner further agrees:
  - (a) to save the Agent harmless from all damage suits in connection with the management of the herein described property and from liability from injury suffered by any employee or other person whomsoever and to carry, at his own expense, necessary public liability insurance adequate to protect the interests of the parties hereto, which policies shall be so written as to protect the Agent in the same manner and to the same extent they protect the Owner and will name the Agent as co-insured.
  - (b) That Agent is not responsible for placing insurance coverage's on the premises or determining the amounts or types of coverage that should be carried.
  - (c) Agent is not responsible for paying Real Estate Tax Bills on Owner's behalf unless the bill is provided by Owner.

**Agent Compensation**

- 7. Owner agrees to pay the following amounts to the Agent:
  - (a) for management: \_\_\_\_\_  
 \_\_\_\_\_
  - (b) for leasing: \_\_\_\_\_  
 \_\_\_\_\_
  - (c) for sale: \_\_\_\_\_  
 \_\_\_\_\_
  - (d) other: \_\_\_\_\_  
 \_\_\_\_\_

**Authorized Charges**

- (e) That in order to offset additional costs to Agent, the Agent may charge tenants or prospective tenants an application fee, late charge, or any other charges deemed necessary or appropriate. Said fees or charges shall be retained by Agent.

**Termination**

- 8. Termination
  - (a) Notwithstanding anything in this Agreement to the contrary, the Owner shall have the right to terminate this Agreement upon the occurrence of any of the following events:
    - (1) gross negligence by the Agent in the carrying out of the duties assigned to it hereunder,
    - (2) the filing of a petition in bankruptcy by or against the Agent or an assignment by the Agent for the benefit of its creditors, or
    - (3) the condemnation or destruction of the premises

by owner giving 30 days written notice to the agent or broker and paying the broker 1/2 the normal commission for the remaining terms of the contract.

**Security  
Deposits**

- (9) Security Deposits
  - (a) All landlords of residential property requiring security deposits prior to occupancy shall be required to deposit all tenants' security deposits in an account used only for that purpose, in any bank, or other lending institution subject to regulation by the Commonwealth of Kentucky or any agency of the U.S. Government. Prospective tenants shall be informed of the location of the separate account and the account number.
  - (b) Prior to tendering any consideration deemed to be a security deposit, the prospective tenant shall be presented with a comprehensive listing of any then-existing damage to the unit which would be the basis for a charge against the security deposit and the estimated dollar cost of repairing such damage. The tenant shall have the right to inspect the premises to ascertain the accuracy of such listing prior to taking occupancy. The landlord and the tenant shall sign the listing, which signature shall be conclusive evidence of the accuracy of such listing, but shall not be construed to be conclusive as to latent defects. If the tenant shall refuse to sign such listing, he shall state specifically in writing the items on the list to which he dissents, and shall sign such statement of dissent.
  - (c) At the termination of occupancy, the landlord shall inspect the premises and compile a comprehensive listing of any damage to the unit which is the basis for any charge against the security deposit and the estimated dollar cost of repairing such damage. The tenant shall have the right to inspect the premises to ascertain the accuracy of such listing. The landlord and the tenant shall sign such listing, which signatures shall be conclusive evidence of the accuracy of such listing. If the tenant shall refuse to sign such listing, he shall state specifically in writing the items on the list to which he dissents, and shall sign such statement of dissent.
  - (d) No landlord shall be entitled to retain any portion of a security deposit if the security deposit was not deposited in a separate account as required by subsection (a) of this section and if the initial and final damage listings required by subsections (b) and (c) of this section are not provided.
  - (e) A tenant who disputes the accuracy of the final damage listing given pursuant to subsection (c) of this section may bring an action in district court. Tenant's claim shall be limited to those items from which the tenant specifically dissented in accordance with the provisions of subsection (c) of this section, or except as otherwise provided, and if the tenant shall fail to sign the listing or specifically dissent in accordance with subsection (c) of this section, the tenant shall not be entitled to recover any damages under this section.
  - (f) In the event a tenant leaves not paying his last month's rent and does not demand a return of his deposit, the landlord may, after thirty (30) days, remove the deposit from the account and apply any such excess to the debt owing.
  - (g) In the event the tenant leaves not owing rent and having any refund due, the landlord shall send notification to the last known or reasonably determinable address, of the amount of any refund due the tenant. In the event the landlord shall not have received a response from the tenant within sixty (60) days from the sending of such notification, the landlord may remove the deposit from the account and retain it free from any claim of the tenant or any person claiming in his behalf.

**Additional  
Terms and  
Agreements**

10. Additional Terms and Agreements:

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This Agreement shall be binding upon the successors and assigns of the Agent and the heirs, administrators, executors, successors, and assigns of the Owner Agent shall not assign its rights hereunder without the prior written consent of the Owner.

A copy of the form lease Agreement the Agent will enter into with tenants of the premises is attached to this agreement.

**IN WITNESS WHEREOF**, the parties hereto have affixed or caused to be affixed their respective signatures on the date shown below.

_____	Owner
(Date)	
_____	Owner
(Date)	
_____	Owner
(Date)	
_____	Agent
(Date)	
_____	Broker
(Date)	

**CERTIFICATE:**

The undersigned Owner certifies that he has been given a duplicate original of this Management Agreement and the attached Lease Form immediately upon signing same.

_____	Owner
(Date)	
_____	Owner
(Date)	