

# Del Val Realty & Property Management

## Property Management Agreement Checklist

- Please read the agreement and ask questions if needed
- Initial the bottom of each page
- Sign the bottom of page 5
- Review section 14 let us know your desired rent amount and pet policy
- Review Schedule A and add social security or EIN number and your future mailing address
- Complete schedule E (Direct Deposit Form)
- Include a check for \$50 made out to **Del Val Realty & Property Management**
- Fax or mail to us
  - Fax 610-500-5682
  - Mail

### **Del Val Realty & Property Management**

81 Lancaster Avenue

Suite 218

Malvern, PA 19355

# EXCLUSIVE LISTING TO RENT AND MANAGE REAL PROPERTY

This is intended to be a Legally Binding Agreement. **READ IT CAREFULLY.**

THIS AGREEMENT TO RENT / MANAGE PROPERTY ("**Agreement**") is made by and between **OWNER** and **AGENT**.

1. **Appointment of AGENT.** OWNER hereby contracts with and appoints AGENT the **sole and exclusive** managing AGENT to rent, manage, and operate each Property indicated in Schedule A, upon the conditions, terms and compensation as set forth herein. This Agreement shall commence on the Commencement Date indicated on Schedule A. It is understood and agreed that the AGENT is the sole procuring cause of any lease that may be negotiated during this Agreement, even if said lease may have been negotiated either directly or indirectly by the OWNER.
2. **Acceptance of Appointment.** AGENT hereby accepts appointment as set forth in Paragraph 1 and agrees to use their best efforts to perform all services for the renting, care, protection, maintenance and operation of the Property, including the following:
  - a) **ADVERTISING:** Placement of print and electronic advertisements promoting the availability for rental of the Property, subject to sufficient funds on Account. *(Advertising costs are the responsibility of the AGENT unless Optional Marketing Plan is elected – See Schedule B)*
  - b) **LEASES:** AGENT shall use his best efforts to keep the Property rented by procuring tenants for the Property and negotiating and executing on behalf of OWNER all leases for the Property. OWNER shall have the right to approve any prospective tenant and the terms of any lease, which approval shall not be unreasonably withheld.
  - c) **TENANT DEPOSITS:** Establish, collect, hold and disburse tenant security deposit(s) on behalf of the OWNER in accordance with the **Landlord-Tenant Act** of the **Commonwealth of Pennsylvania** and any applicable local laws, regulations or ordinances.
  - d) **RENT COLLECTIONS:** Collect and monitor rental payments by tenants, provided that nothing herein shall constitute a guaranty by AGENT for the payment of rent by Tenants. AGENT shall promptly advise OWNER of any delinquency in the payment of rent or of any other default by Tenant under the terms of the lease and consult with OWNER regarding the appropriate action to be taken.
  - e) **MONTHLY REPORTS:** Provide consolidated monthly reports listing of all income, expenses and cash flow to the OWNER, together with necessary documentation for tax purposes. Copies of all bills will be provided upon request.
  - f) **REVIEWS:** Visit the Property on the Property Inspection Review Schedule as indicated in Schedule A in order to determine that the Property is in good order. Written Property Inspection Review reports shall be completed and provided to OWNER for each visit.
  - g) **MAINTENANCE:** AGENT shall have the authority to contract on behalf of OWNER for and supervise the making of **ALL** repairs, alterations or decorations in the Property; provided that when such repairs, alterations or decorations cost more than the Authorized Repair Limit specified in Schedule A, the AGENT shall consult with the OWNER in advance, except in the case of emergencies or where required by law, and obtain the prior approval of OWNER for such repairs, alterations or decorations. AGENT may utilize its own personnel or affiliated firms for the making of all such repairs. These repairs when done by its own personnel or affiliated firm(s), will be charged at competitive rates, and AGENT may realize a profit from such maintenance work.
  - h) **LAWS & REGULATIONS:** Comply with the spirit and the letter of all laws, regulations and public programs regarding equal housing opportunity.
  - i) **AGENT's ROLE:** AGENT is acting as OWNER's Agent, as described in the Consumer Notice. AGENT's rental agents, salespeople, employees, owners are acting as Agents only and will not be legally responsible for damages or repairs to the Property, fines or penalties related to the property, or for a tenant's failure to meet the terms of a lease.

Owner's Initials: \_\_\_\_\_

Agent's Initials: \_\_\_\_\_

**3. OWNER's Responsibilities.**

- a) **FUNDS ON ACCOUNT:** OWNER will maintain Funds on Account in the AGENT's account as indicated in Schedule A for each Property managed. AGENT has authority to withdraw such funds to pay AGENT's fee, repairs, advertising costs and other proper charges against the fund. The OWNER will deposit sums as necessary to maintain the Funds on Account as agreed within 10 days of being requested to do so by AGENT. If OWNER does not deposit funds requested within 10 days, AGENT shall charge OWNER a fee equal to 5% of the outstanding balance each month such funds are negative. **Excess funds will be electronically transferred to OWNER by the 15th day of each month unless other arrangements are made.**
- b) **ADDITIONAL FUNDS ON ACCOUNT:** If the AGENT makes mortgage, insurance or property tax payments, the OWNER will maintain an amount equal to Additional Funds on Account as defined in Schedule A.
- c) **MARKETING PLAN AND ADVERTISING:** OWNER shall pay all marketing and advertising expenses related to the Property until the Property is leased.
- d) **EXISTING TENANTS:** For existing tenants, OWNER will provide AGENT with a copy of any lease, a set of keys to the Property, and will notify the tenant that AGENT is authorized to act on behalf of the OWNER.
- e) **INSURANCE:** OWNER assumes all responsibility for obtaining and maintaining all Property and casualty insurance. **OWNER agrees to maintain a Landlord Insurance Policy on the Property, including public liability insurance of at least \$500,000 and will name AGENT as an additional insured.** A copy of this policy will be provided to the AGENT.
- f) **HOLD HARMLESS:** OWNER and AGENT agree to hold harmless each other, indemnify and defend AGENT or OWNER from all **suits, damages, claims of any nature or any kind arising in connection with AGENT's management of the Property or OWNER's ownership and from any liability for injuries suffered by any person while in the Property or on the premises upon which the Property is located.**
- g) **RENTAL LICENSES:** OWNER is required to provide AGENT with copy of current rental and business licenses, if required by your local township or city.
- h) **ATTORNEYS:** AGENT shall have the authority to hire attorneys and collection agencies at OWNER's expense to protect the interest of the OWNER.

**4. Compensation.** AGENT shall be compensated upon the following basis:

- a) **LEASING:** OWNER shall pay AGENT a **Leasing Fee** as indicated on Schedule A for each new lease procured by Agent. The Leasing Fee is to be paid upon receipt of funds from the Tenant. If the OWNER provides a Tenant to AGENT for qualification and subsequent lease, the Leasing Fee paid by the OWNER will be twenty-five percent (25%) of the **Leasing Fee**. There is no Leasing Fee if an existing Tenant is in place when AGENT assumes management responsibilities. AGENT may cooperate with other Brokers. AGENT will pay from AGENT's Leasing Fee a fee to another Broker who procures the tenant, is a member of the Multiple Listing Service and represents the Tenant.
- b) **LEASE RENEWAL:** OWNER shall pay AGENT a **Lease Renewal Fee** as indicated on Schedule A only for each negotiation and renewal of an existing lease.
- c) **MANAGEMENT:** OWNER shall pay AGENT a **Monthly Management Fee** as indicated in Schedule A, which amount shall be payable upon collection of rent. In addition, **HALF** of all late fees and **ALL** returned check charges, NTQ charges and other administrative charges payable by Tenant and all interest on trust funds shall belong to AGENT to offset AGENT's bookkeeping charges. First funds collected from tenant each month shall be applied towards all late fees, returned check charges, NTQ charges and other administrative charges and lastly to rent. If tenants do not pay these fees, Agent may deduct these fees from Tenant's security deposit and/or last month's rent.

**Loyalty Program** - The **Monthly Management Fee** will be reduced by 1/2% after each 12 month period OWNER retains AGENT, subject to the \$80 minimum. For example, the fee will be reduced by 1/2 % during months 13 through 24 and 1% during months 25 through 36 and so forth until a maximum reduction of 3%.

**Owner's Initials:** \_\_\_\_\_

**Agent's Initials:** \_\_\_\_\_

- d) **SALE TO EXISTING TENANT:** If the Tenant buys the Property, AGENT shall receive an **Existing Tenant Sales Fee** equal to 2% of the sale price or \$1,500, whichever is greater. With the exception of the Existing Tenant Sales Fee, AGENT will only be entitled to a fee for the sale of the Property if a separate listing agreement for the sale of the Property is executed between AGENT and OWNER.
- e) **REVIEW:** AGENT shall visit the Property periodically in order to determine that the Property is in good order. The frequency of said Reviews shall be in accordance with the **Property Inspection Review Schedule** indicated in Schedule A. A written Maintenance Review report shall be completed and provided to OWNER for each visit. Two maintenance Reviews shall be provided each year at no cost.
- f) **MAINTENANCE FEE:** In the event that the OWNER requires any maintenance, construction or remodeling of the Property and AGENT is responsible for supervising bidding, completion and/or inspection of such work, then AGENT's compensation shall be an amount equal to the **Maintenance Fee** indicated in Schedule A, provided however, that the OWNER may elect, at his sole discretion, to complete the maintenance, construction or remodeling through other channels and without the involvement of the AGENT.
- g) **CODE:** In the event that OWNER requires AGENT to negotiate with any government authority regarding Property taxes, Code violations, or other legal matters, OWNER shall pay AGENT at an hourly rate of \$50.00 per hour.
- h) **NEW ACCOUNT SETUP FEE:** OWNER shall pay a one-time \$50 new account set up fee upon becoming a new client of AGENT.
- i) **MISCELLANEOUS:** OWNER shall pay \$5.00 per month per unit to cover administrative cost including charges for wire transfers to owner and from the tenant(s), fax charges, photocopy and other minor administrative costs.
- j) **AGENT NOT REQUIRED TO ADVANCE FUNDS:** AGENT shall have no obligation to advance funds to the OWNER for any purpose whatsoever. Any funds advanced to the OWNER by AGENT shall be repaid to AGENT immediately from the OWNER's funds. Any sums due AGENT under any provision of this Agreement, and not paid within 10 days after such sums have become due, shall bear interest at the rate of 5.0% per month.

**5. Term of Agreement.** This Agreement continues in effect until the AGENT terminates the Agreement upon thirty (30) days written notice to the OWNER or the OWNER terminates the Agreement by thirty (30) days written notice to the AGENT. The parties understand and agree that the AGENT may withhold funds for thirty (30) days after the end of the month in which the Agreement is terminated to pay bills previously incurred but not yet invoiced and to close accounts, and to provide accounting of the bills and accounts to the OWNER. Any outstanding balances shall remain the liability of the OWNER(s) and OWNER(s) duty to pay any such expenses shall survive termination of this Agreement. Subsequent to termination a service fee of \$60.00 per month may be imposed until any unpaid balance due from OWNER is paid.

**Better Than 100% Guarantee -- Notwithstanding the above, if the OWNER terminates within the first ninety (90) days for any reason all Monthly Management Fees earned will be returned to OWNER plus an additional \$200.**

This Agreement may be terminated by AGENT upon 24 hours notice to OWNER if, in AGENT's sole judgment, OWNER fails to keep the Property in a habitable condition as required under any law or governmental rule, or in AGENT's sole opinion, or OWNER attempts to unlawfully discriminate or the Property condition or use violates applicable law.

**6. Dispute Resolution and Attorney's Fees.** If a dispute arises out of this Agreement, both parties will meet to resolve it and if agreement is not reached at this meeting, a party may employ the American Arbitration Association or any other arbitration panel mutually agreed upon by the parties, to arbitrate the dispute. The results of this arbitration are binding upon both parties and the arbitrator is authorized to file the decision in the applicable court of jurisdiction. The arbitrator is to award reasonable attorney's fees and costs to the prevailing party.

**Owner's Initials:** \_\_\_\_\_

**Agent's Initials:** \_\_\_\_\_

7. **Dual Agency.** OWNER agrees that AGENT may also represent the tenant/buyer(s) of the Property. AGENT is a DUAL AGENT when representing both OWNER and the tenant/buyer in the lease of a Property.
8. **Financial Institution Deposit.** Funds under AGENT's control which are requested by OWNER to be sent directly to a financial institution must provide their bank routing and account number.
9. **Notice.** Any and all notices should be sent to the OWNER at the OWNER's Notice Address indicated on Schedule A and to the AGENT at the AGENT's Notice Address indicated on Schedule A. Either party may notify the other in writing of any changes in this notice address.
10. **Authorized.** OWNER warrants that OWNER is the sole OWNER of the Property, or has authority to execute this Agreement on behalf of any co-OWNER and that the Property is not subject to legal proceedings for foreclosure. Any individual OWNER shall have the authority to hereafter take action and enter into further agreements with AGENT on behalf of all other CO-OWNER's.
11. **Entire Agreement.** This Agreement, together with any written and signed addenda or exhibits attached hereto, constitutes the entire Agreement between the parties. Any changes or modifications must be in writing and signed by the parties. This Agreement shall be binding upon the parties, their heirs, administrators, executors, and successors and assigns. Any provision of this Agreement found to be invalid or in violation of any statute, rule, regulation or common law shall be considered null and void, with the remaining provisions remaining valid and in effect. No representation is made as to the legal validity of any provision or adequacy of any provision in any specific transaction. A real estate broker is the person qualified to advise on real estate. If you desire legal advice, consult your attorney.
12. **OWNER Acknowledgment.** Prior to signing, OWNER acknowledges receiving and having an opportunity to read this Agreement.

**13. Addendum's Attached:**

- a) Schedule A - The Parties/OWNER Funds/Compensation
- b) Schedule B - Marketing Plan (Optional)
- c) Schedule C - Property Information Sheet
- d) Schedule D - Direct Deposit Agreement Form

**14. Additional Terms.** The following additional terms are included:

- a) Approximate Monthly Rent <sup>(1)</sup>  
Rent: \$ \_\_\_\_\_  
Security: \_\_\_\_\_  
Last Month Rent Required: YES / NO
- b) Pets : YES / NO If Yes, Additional Deposit Require \$ \_\_\_\_\_
- c) Yard Maintenance: Tenant Responsibility \_\_\_\_\_ Hire Professional: \_\_\_\_\_
- d) Condo Move-In and/or Move-Out Fee (**Please note if nothing is indicated we will assume Owner Pays all Fees**)
  - 1) Move-In Fee Amount \$ \_\_\_\_\_ Who Pays this Fee (mark with X)  Owner  Tenant
  - 2) Move-Out Fee Amount \$ \_\_\_\_\_ Who Pays this Fee (mark with X)  Owner  Tenant

**IN WITNESS WHEREOF**, the parties hereto hereby execute this Agreement on the date first above written.

By: \_\_\_\_\_ OWNER

By: \_\_\_\_\_ OWNER

By: \_\_\_\_\_ AGENT

(1) Subject to change depending on market conditions

**Owner's Initials:** \_\_\_\_\_

**Agent's Initials:** \_\_\_\_\_



**Schedule B – Property Information Sheet**

Property: \_\_\_\_\_  
Area: \_\_\_\_\_ Map: \_\_\_\_\_ Grid: \_\_\_\_\_ Year Built: \_\_\_\_\_  
Square Feet: \_\_\_\_\_ # Bedrooms \_\_\_\_\_ # Bathrooms \_\_\_\_\_ Lot Size: \_\_\_\_\_

**IF OCCUPIED: (Please provide copy of lease agreement and addendums)**

Tenant Name \_\_\_\_\_ Telephone # (h) \_\_\_\_\_ (w) \_\_\_\_\_  
Rental Amount \$ \_\_\_\_\_ Dep Held \$ \_\_\_\_\_ Last month's rent prepaid? Y / N Amount \$ \_\_\_\_\_

**MORTGAGE:**

Management to pay? Y / N Payable to: \_\_\_\_\_ Account # \_\_\_\_\_  
Address \_\_\_\_\_ Telephone \_\_\_\_\_  
Amount \$ \_\_\_\_\_ Please provide coupons and notify your lender to send coupons to us.

**INSURANCE: (Landlord Policy Required)**

Insurance Co. \_\_\_\_\_ Policy # \_\_\_\_\_  
AGENT Name \_\_\_\_\_ Telephone # \_\_\_\_\_

**MISCELLANEOUS**

Is the Property subject to any pending **legal action or foreclosure**: YES \_\_\_ NO \_\_\_

If yes, explain: \_\_\_\_\_

Are the lot **boundaries obvious** YES \_\_\_ NO \_\_\_ If NO, explain: \_\_\_\_\_

**Hardwood floors**: YES \_\_\_ NO \_\_\_ Care instructions: \_\_\_\_\_

**Roof type**: \_\_\_\_\_ Does it **leak**? YES \_\_\_ NO \_\_\_ Explain: \_\_\_\_\_

**Basement**: Does it **leak**? YES \_\_\_ NO \_\_\_ **Sump Pump** on Property: YES \_\_\_ NO \_\_\_

Has the **fireplace** or woodstove been cleaned in the last year? YES \_\_\_ NO \_\_\_ When? \_\_\_\_\_

**Furnace type**: Electric \_\_\_ Gas \_\_\_ Oil \_\_\_ Other \_\_\_\_\_ Date last serviced: \_\_\_\_\_

If Oil, amount in tank \_\_\_\_\_ Size of tank \_\_\_\_\_ Service Contract \_\_\_\_\_ Tank Location \_\_\_\_\_

**Air conditioning**? YES \_\_\_ NO \_\_\_

Is the **plumbing** in working order? YES \_\_\_ NO \_\_\_ Main shut off valve location: \_\_\_\_\_

**Sprinkler system**? YES \_\_\_ NO \_\_\_ Shut off location? \_\_\_\_\_ Care instructions: \_\_\_\_\_

**Alarm system**? YES \_\_\_ NO \_\_\_ Monitored? YES \_\_\_ NO \_\_\_ Company: \_\_\_\_\_

Arm/Disarm instructions & codes: \_\_\_\_\_

Location of **GFI Reset** \_\_\_\_\_

**Smoke detectors** operable? YES \_\_\_ NO \_\_\_ How many? \_\_\_\_\_

**Carbon Monoxide detectors**? YES \_\_\_ NO \_\_\_ How many? \_\_\_\_\_

Do you have **keys** for all exterior doors? YES \_\_\_ NO \_\_\_ Do deadbolts require keys on the interior? YES \_\_\_ NO \_\_\_

**(Please provide 3 sets of keys)**

Do all **windows lock**? YES \_\_\_ NO \_\_\_ Do all bedroom **windows open**? YES \_\_\_ NO \_\_\_

Secured **mailbox**? YES \_\_\_ NO \_\_\_ Number on mailbox: \_\_\_ If located in a cluster, location: \_\_\_\_\_

**LEAD BASED PAINT: OWNER is aware that housing built before 1978 may contain lead-based paint. Lead-based paint, if not taken care of properly, can pose a health hazard. OWNER hereby discloses the presence of any known lead-based paint and/or lead-based paint hazards in the**  
Property: \_\_\_\_\_

Owner's Initials: \_\_\_\_\_

Agent's Initials: \_\_\_\_\_

**Schedule C - Direct Deposit Agreement Form**

I hereby authorize Del Val Property Management LLC to initiate automatic deposits to my account at the financial institution named below.

Further, I agree not to hold Del Val Property Management LLC responsible for any delay or loss of funds due to incorrect or incomplete information supplied by me or by my financial institution or due to an error on the part of my financial institution in depositing funds to my account.

This agreement will remain in effect until Del Val Property Management LLC receives a written notice of cancellation from me or my financial institution, or until I submit a new direct deposit form.

Name of Financial Institution: \_\_\_\_\_

Routing Number: \_\_\_\_\_

Account Number: \_\_\_\_\_

Checking

Savings

Authorized Signature (Primary): \_\_\_\_\_ Date: \_\_\_\_\_

Authorized Signature (Joint): \_\_\_\_\_ Date: \_\_\_\_\_

**Election to Continue to Receive Physical Checks**

I hereby request to continue receiving my funds by Check sent via United States Postal Service.

**Owner's Initials:** \_\_\_\_\_

**Agent's Initials:** \_\_\_\_\_