



# Property Management Agreement

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# Property Management Agreement

This Property Management Agreement ("Agreement") is entered into as of the date set forth below by and between:

\_\_\_\_\_  
Owner(s)/ Entity Name

and JWB Property Management, LLC, ("Agent"). Owner and Agent shall be collectively referred to herein as the "Parties." In consideration of the mutual covenants, conditions and promises contained herein, the sufficiency of which are hereby acknowledged, the Parties agree as follows:

**Appointment and Term:** Owner grants Agent the legal right to manage the rental property/properties located at:

\_\_\_\_\_ owned or to be owned by Owner, upon the terms hereinafter set forth, for a period of 12 months from the Effective Date (the "Term"). The Effective Date of this Agreement shall be the latter of the date executed by Owner or the date Owner acquires an ownership stake in the Property. This Agreement replaces and supersedes any prior agreement between Agent and Owner concerning management of the Property.

**Agent's Responsibilities and Authority:** Agent is responsible for the following duties, and Owner hereby grants Agent all power and authority necessary for Agent to perform the following actions:

1. **Marketing:** Agent shall market the Property for lease in such a manner and utilizing such means as Agent, shall determine in its discretion.

- a. To display "FOR RENT" signs at the Property; and otherwise advertise the Property for rent.
- b. To list via Internet Listing Service sites and/or Agent's website.
- c. To determine and advertise the monthly rent amount based off market analysis and real estate trends.
- d. To sign and serve in the name of Owner such notices as are appropriate or necessary to carry out any of Agent's responsibilities, including but not limited to listing agreements, HUD forms, and marketing materials.

2. **Underwriting:** Agent shall screen prospective Tenants, including by verifying employment status, background, and previous rental history, based on available information and in accordance with Agent's standard screening process. Agent shall endeavor to find the right Tenant for the Property, but Agent cannot and does not guarantee any Tenant's Performance under their Lease.

3. **Leasing:** Agent shall enter into leases for the Property or any part thereof on the Owner's behalf and shall manage and oversee such leases. In furtherance of such duties, Agent shall have the following authority and shall undertake the following actions, at the Agent's sole discretion:

a. To determine the rental rate, deposit amount, start date, length, and all other terms of any lease, and may enter into leases of more than one year. Agent shall execute such lease as agent for Owner and Owner shall be contractually bound to any lease entered by Agent on Owner's behalf.

b. To determine the amount of any discounts, credits, incentives and prorations to be made under any lease, and all payment arrangements regarding the lease.

c. To terminate any lease or tenancy, to evict Tenants and to recover possession of the Property; to institute and prosecute legal actions, lawsuits, and proceedings in the name of the Owner and recover rents and other sums due, and when expedient in Agent's opinion, to settle, compromise, and release such actions or reinstate such tenancies.

4. **Maintenance:** Agent shall manage the Property, including by contracting for necessary repairs; provided, however, that it shall be Owner's sole responsibility to pay for all work done on the Property. In furtherance of such duties, Agent shall have the following authority and shall undertake the following actions, at the Agent's sole discretion.

Agent shall supervise and may perform repairs on the Property. Agent shall hire, discharge and supervise vendors and contractors for the operation and maintenance of the Property; provided, however that Agent shall not be responsible for the acts, defaults, or negligence of any contractor, vendor, or third-party. Owner hereby holds agent harmless from and indemnifies Agent against any damage to the Property or any other property resulting from repairs and alterations performed on the Property or conditions not reported to Agent by the Tenant, and any damage or injury to any property or person incurred on, or pertaining or relating to the Property.

a. To enter into contracts on behalf of the Owner and at the Owner's expense, for electricity, gas, fuel, water, lawn, cleaning, trash or rubbish hauling and other services as Agent shall deem advisable. Owner will assume direct responsibility for any such contract upon termination of this Agreement.

b. To incur on Owner's behalf, costs and expenses related to management of the Property, including but not limited to expenses for maintenance, improvement or repair of the Property, eviction and other legal expenses, utility charges, leasing and administrative fees. Owner shall be solely responsible for any such expense incurred.

c. Agent shall make at least three attempts to notify Owner via the email address or telephone number on file with Agent prior to incurring any expense in excess of \$400. However, Agent's failure to contact Owner prior to incurring any particular expense shall not relieve Owner of sole responsibility of expense.

d. Agent shall have the authority to make any repairs necessary, to prevent damage in an emergency, to keep the Property in compliance with landlord/tenant laws, and to ensure the Property is secure and habitable for the Tenants, even if the cost of doing so is over \$400.

5. **Accounting:** Agent shall collect all rent and other receipts regarding the Property, render a monthly accounting of receipts, charges and expenses, pay all Property expenses from the available receipts (excluding taxes, insurance and other expenses designated herein as Owner's responsibility), and remit the balance, if any, to Owner, less Agent's fees.

Agent shall process payments monthly on the 25<sup>th</sup> day of the month.

Upon termination of any lease for any reason, Agent shall deduct such amounts from Tenant's security deposit that Agent shall determine, in its sole and absolute discretion, are owed by Tenant for any unpaid rent, damages to the Property or other charges. Owner agrees that Agent's determination regarding deductions from security deposits shall be final and binding upon Owner. Agent may send all outstanding balances owed by any Tenant to collections.

**Owner's Responsibilities and Authorities:** Owner shall be responsible for the following:

1. **Expenses:** Prompt payment of all expenses and charges pertaining to the Property or management of the Property, including but not limited to payment of all costs associated with Agent's exercise of Agent's authority, as described above. Owner indemnifies Agent against any lien filed against property due to Owner's failure to pay for any repairs.

2. **Taxes:** Payment of all real estate and other taxes and governmental charges pertaining to the Property. Agent shall have no responsibility or liability for ensuring that Owner's real estate or other taxes are paid and current.

3. **Insurance:** Maintaining liability insurance as required and any other coverage Owner desires. Agent shall have no responsibility to procure or maintain any insurance coverage pertaining to the Property. Owner shall maintain at Owner's expense an insurance policy with a minimum of \$300,000 liability coverage for injuries suffered by employees, contractors, Tenants, or other persons at the Property ("Liability Insurance"). If Owner fails to procure or continuously maintain Liability Insurance, Owner shall indemnify Agent and Agent's officers, directors, employees and agents from any claim, liability or loss which would or could have been covered by an appropriate Liability Insurance policy.

4. **HOA:** Payment of any homeowner's or condominium association assessments, fees or dues, and ensuring that any homeowner's or condominium association's records reflect the Owner's proper notice address. Agent shall not be responsible for paying any homeowner's or condominium association assessments, fees or dues or notifying Owner of any charges owed to or action taken by any homeowner's or condominium association. Owner indemnifies Agent for any lien filed against property due to Owner's failure to pay homeowner's or condominium association fee, tax or governmental charge or any other cost or fees associated with the Property.

5. **Utilities and Other Costs:** In the event the Property is vacant, Owner shall be responsible for lawn maintenance at the Property, cleaning fees and utilities

6. **Owner Portfolio Account:** Owner shall maintain a Portfolio Account with Agent with a minimum balance of (\$400) for each portfolio managed by Agent. Agent is authorized to pay any outstanding management expense out of Owner's Portfolio Account. Agent shall replenish Owner's Portfolio Account each month by withholding funds sufficient to bring the balance of the Portfolio Account back to (\$400.00) from any payment owed to Owner. If Tenant's next monthly rental payment is not sufficient to restore Owner's Portfolio Account to the minimum balance, Owner shall make up any shortfall within 30 days. All balances owed to Agent

delinquent past 30 days are subject to a 2% service charge. Agent may also charge any management expense to Owner's credit card on file with Agent. Owner hereby authorizes Agent to charge such credit card for management expenses without further written or verbal authorization or advance notification. Upon termination of this Agreement, Agent is also authorized to charge Owner's credit card on file for any outstanding or negative balance in Owner's Portfolio Account.

## Management Fees:

1. **For Management:** Owner shall pay Agent ten percent (10%) of gross monthly rent collected with a \$75 minimum as a Monthly Management Fee.
2. **For Leasing:** For each new Tenant placed in the Property (including Tenants occupying the Property prior to Owner's purchase), Owner shall pay Agent a one-time Tenant Placement Fee of one hundred percent (100%) of such Tenant's first month's rent.
3. **For Renewal:** For each Tenant that renews his or her lease, Owner shall pay Agent a Renewal Fee of \$200 per year that the tenant renews his or her lease to be paid at the time of renewal.
4. **Administrative Fees:** Agent shall also be entitled to retain any of the following which may be collected from any Tenant: application fees, late fees, background report fees, insufficient check charges, maintenance management fees, and any fees or costs incurred by Agent and reimbursed by Tenant.
5. **Additional Costs and Fees:** Owner shall pay the following additional costs and fees, as applicable:
  - a. If, during the term of this Agreement or within 12 months thereafter, the Property is sold to a Tenant placed by Agent, Owner agrees to pay Agent a sales commission of 3% of the selling price.
  - b. The cost of any utilities at the Property.
  - c. All legal fees incurred by Agent in connection with the administration of this Agreement including but not limited to: court costs and attorney's fees.
  - d. Any sums which, in Agent's sole discretion, should or must be refunded or reimbursed to any Tenant.

Any charges owed to Agent may be deducted from the rents owed to Owner for any Property under management with Agent.

## Additional Information to Manage:

1. **Pet Policy:** Agent shall be permitted to enter into leases which allow Tenants to keep pets on the Property. If Agent enters into a lease which permits pets, Agent shall collect \$500 as a pet fee. All breed requirements are in line with common insurance policies and reviewed for approval. Neither Agent nor Owner can prevent resident(s) to have Service Animal(s) nor collect any pet fee on any animal deemed needed for a disability, or medically necessary.

2. **Automatic Renewal; Termination.** Unless either party shall give written notice of their intent not to renew this Agreement at least 30 days prior to the end of the Term (including any renewal term), this Agreement shall automatically be renewed for an additional 12-month period under the same terms and conditions. Either party may terminate this Agreement upon 30 days advance written notice to the other party. Agent may terminate this Agreement immediately and without notice if, in Agent's sole discretion: (i) Owner fails or refuses to pay any fee owed to Agent or to cooperate with Agent in the management of the Property; (ii) Owner's actions or other circumstances present a risk of harm to Agent, any Tenant or the Property.

3. **Termination Fee.** If Owner terminates this Agreement prior to the end of the Term (including any renewal Term), Owner shall pay a Termination Fee equal to the total Monthly Management Fees which would have been earned by Agent from the date of termination through the earlier of the following: (i) the remaining term of any then-current Tenant's lease; or (ii) the remainder of the original Term of this Agreement. This provision shall survive termination of this Agreement.

If owner terminates this agreement within 90 days of execution and Agent has yet to place a tenant, Owner shall pay Agent a termination fee of \$400 to help cover administrative and marketing expenses.

4. **Assignment.** This Agreement shall be binding upon the successors and assigns of Agent, and the heirs, administrators, executors, successors, assigns and successors-in-interest of Owner. However, Owner may not assign this Agreement without the prior written approval of Agent.

5. **Enforcement; Choice of Venue and Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Florida. The sole and exclusive venue for any dispute between or involving the Parties arising out of or related to this Agreement or the relationship of the parties shall be a court of competent jurisdiction in Duval County, Florida.

6. **Counterparts.** This Agreement may be executed in one or several counterparts, each which shall be deemed an original Agreement, and all of which together shall constitute one and the same instrument.

7. **Notices.** Owner shall promptly notify Agent in writing of any change in e-mail address, telephone number or address and shall be solely responsible for any loss or damage arising out of Owner's failure to do so.

8. **Acceptance of Risk.** Owner acknowledges that there are inherent risks in investing in real estate and owning rental property. Agent shall not be responsible to Owner for changes in the value or condition of the Property, increases or decreases in rental rates, income or values, or any other matter or risk inherent to investment in real estate.

*[End of Agreement. Signatures to Follow on Next Page.]*

JWB PROPERTY MANAGEMENT, LLC:

By: \_\_\_\_\_  
Its: Authorized Representative

DATE: \_\_\_\_\_

OWNER:

OWNER SIGNATURE: \_\_\_\_\_ DATE: \_\_\_\_\_

OWNER SIGNATURE: \_\_\_\_\_ DATE: \_\_\_\_\_

CONTACT INFORMATION FOR OWNER:

Telephone Number(s): \_\_\_\_\_

E-mail Addresses: \_\_\_\_\_

Address: \_\_\_\_\_