

PROPERTY MANAGEMENT AGREEMENT

This agreement is made on _____ (date) between Peake Management, Inc.
and _____ (Landlord/Owner) who agree(s) to advise Agent promptly of any
change of address, telephone number or email address, or any other contact information.

Home Phone: _____ Office Phone: _____ Mobile Phone: _____

Current Address: _____ City: _____ State: _____ Zip: _____

All Notices will be mailed to Landlord at: _____

and **Peake Management, Inc.** (Agent/Manager) who agree as follows:

1. The Landlord appoints and grants Agent the exclusive right to manage:

_____ (Premises), which is part of
_____ Owners Association. Landlord will provide the Rules and Regulations to the
Agent. The term of this Agreement shall be for an initial period of one years (the initial term) beginning on
_____ and ending the last day of _____. This Agreement shall be automatically renewed from year to
year unless/until terminated or the property is sold.

The Peake Property Management Information Form (PMIF) is attached and made a part of this Agreement.

If this box is checked, Agent is to lease Premises, and the Better Homes and Gardens Real Estate Premier Exclusive Right
to Lease form is attached and made a part of this Agreement.

If this box is checked, the Landlord agrees to pay the Agent 5% if the Premises are sold or exchanged during the term of this
Agreement.

**2. Landlord grants to Agent the authority and power at Landlord's expense and in Landlord's name to perform with
diligence the following normal management services:**

- A. To collect all rents in accordance with the Leases and to keep records of the receipts and expenditures for the Premises
and to deposit all Landlord funds collected by Agent in a separate escrow account in a federally insured institution in Virginia.
Agent shall not be held liable in the event of a bankruptcy or failure of the depository.
- B. To retain the Tenant's Security Deposit in escrow for the duration of the Lease and any extensions and to refund the Deposit
in accordance with the terms of the Lease.
- C. To make inspections of the Premises at time of occupancy, when Tenant vacates, and at such other times as the Agent
deems advisable.
- D. To keep accurate records of the receipts, expenditures and charges for Premises and furnish Landlord with a **monthly**
statement. To promptly remit to Landlord as directed in the PMIF the balance of all sums due Landlord under the terms of
this Agreement. To submit a Form 1099 to the IRS each calendar year with the SS # or Tax ID # on file showing total rental
income from the Premises.
- E. To terminate tenancies and to sign service contracts and HOA/Condo Association proxies and serve Notices, to institute and
prosecute actions to evict Tenants and to recover possession of the Premises; to sue for and recover rent; to settle, compromise
and release such actions or suits, or reinstate such tenancies using guidelines provided by the Landlord or after personal
consultation with the Landlord.
- F. To negotiate, prepare and sign all leases, and to cancel or modify existing leases. The Agent shall sign all leases as Agent for the
Landlord. No Lease shall be in excess of **3 years** without approval of the Landlord.

Landlord initial(s) _____ / _____

Agent _____

- G. To make or cause to be made all ordinary repairs and replacements necessary to preserve the Premises and to make all alterations necessary to comply with Lease requirements, governmental regulations or insurance requirements, to arrange for necessary decorating of the Premises, to enter in to agreements for all essential repairs, maintenance, utility services and other services to and for the Premises, to purchase supplies and to pay all bills as provided in the PMIF. Landlord authorizes Agent to have locks changed and smoke detectors professionally inspected at landlord's expense at each change of Tenant. Any cost in excess of \$500.00 must be approved by the Landlord in advance except in an emergency.
- H. To collect and retain from Tenant all or any of the following: a late or additional rent administrative charge, returned check charge, application fee, lease administration charge. Agent need not account for such charges and/or compensation to the Landlord. Landlord hereby waives any right to all interest that may accrue on Tenant's Security Deposit and acknowledges that any interest accruing in excess of that paid to Tenant shall accrue to the benefit of Agent.

3. **Compensation:** As Compensation for the above normal management services, landlord will pay Agent a fee of ____% of the monthly rent. This fee shall be deducted from the Landlord's account or payable by the Landlord by the 1st day of the month.

4. **Other Service and Fees:** For other services beyond the normal management duties, Landlord agrees to compensate Agent as follows:

A. Preparing Premises for sale, for rent	Fee included within reason
B. Overseeing major improvements to prepare Premises for sale or re-occupancy by Landlord	10% of invoices for work ordered
C. Managing during vacancy	\$160.00 fee per month (prorated) between tenants
D. Managing a furnished rental	\$100.00 per month additional fee
E. Appearing in court	Included
F. Insurance claim coordination	10% of invoices
G. Coordinating with home warranty providers	\$50 each incidence
H. Attending HOA/condo meetings (at owner's request)	\$75.00 fee
I. Obtaining multiple bids (first two are included)	\$25.00 for each additional bid
J. Acting as Attorney in Fact	Included
K. Lease renewal or extension	25% of one month's rent

5. **Agent shall not be responsible for the default or any consequence in the terms of any trust or mortgage or payment. In case the disbursements are in excess of the receipts, the Landlord agrees to pay such excess promptly. The Agent is not obligated to advance its own funds on behalf of the Landlord.**

6. **Expense reimbursement:** Agent shall be reimbursed for actual costs of materials or services expended on behalf of Landlord. Such services could include, but not be limited to: long-distance telephone charges, postage, key duplication, and duplicate/reprinting statements.

7. **Landlord and Agent mutually agree that:**

A. Landlord will maintain on deposit with the Agent, a minimum balance of \$500.00 in contingency reserve account. When Agent is required to make payments on mortgages, HOA or condo fees, taxes or insurance, Landlord is required to maintain on deposit actual amounts due for these expenditures. Landlord shall give Agent 3 days advance notice to make any additional monthly or recurring payments. Landlord deposits are held in an escrow account which may bear interest. Agent shall not be required to pay interest to Landlord.

B. Landlord will provide the Agent with all current warranties, service contracts, and the names and phone numbers of any tradespeople that Landlord wants the Agent to use for routine service. Agent will attempt to use these contractors. Landlord will provide Agent with a list of known defects which may affect habitability and take steps to remedy the issues. Agent is not required to advance funds on the Landlord's behalf. If the balance in the Owners reserve account falls below the amount required, the Landlord shall remit funds to replenish the account. Agent reserves a first lien against the Premises and the rents collected or to be collected under a Deed of lease for any expenditures made by the Agent for the benefit of the Landlord and not reimbursed to Agent by Landlord. If the Agent advances any funds to pay any expenses for the Landlord, such advance

Landlord initial(s) _____ / _____

Agent _____

shall be considered a loan subject to repayment with interest at **12%** per annum. The Landlord shall reimburse the Agent, including interest. The Agent may deduct such amounts from funds due the Landlord. Landlord will pay any attorney fees expended to collect unpaid sums and interest due Agent.

- C. Landlord shall be responsible for obtaining and maintaining any rental licenses required by any governmental body. Landlord represents that the Premises are in compliance with local zoning and building codes. Smoke detectors are installed as required. Landlord certifies that the building was OR was not build prior to 1978. If built prior to 1978, lead-based paint Tests have (copy attached) OR have not been performed. Radon tests are not required. A 10-year smoke detector must be installed in each bedroom and on each level.
- D. Landlord will provide Agent with copies of fire insurance policies and carry public liability insurance with a minimum coverage suggested by Landlord's insurance and naming the Agent as additional insured. Unless the Landlord provides a certificate of coverage to the Agent within **30 days**, the Agent may contract for such coverage at the Landlord's expense. Coverage for code enforcement, water damage, flood or sewer backup, and rent replacement are also suggested. Landlord will provide vandalism coverage for any Premises vacant for more than 30 days.
- E. Landlord shall indemnify and hold harmless Agent from all costs, expenses, suits, liabilities, damages and claims of every type, unless the Agent is adjudicated to have been negligent. Landlord shall indemnify and hold harmless Agent from all claims arising from bankruptcy or foreclosure against Landlord. The Landlord shall pay all settlements, judgments, damages, liquidated damages, penalties, forfeitures, court costs, collection fees, litigation expenses and reasonable attorney's fees for suits initiated or defended on their behalf.
- F. Landlord shall pay all expenses incurred by Agent in any proceeding or suit involving an alleged violation by the Agent or Landlord of any constitutional provision, statute, law, or regulation pertaining to fair employment, fair credit, fair housing, disability access, or environmental protection during the Agent's performance of duties under this Agreement, unless the Agent is adjudicated to have personally, and not in a representative capacity violated the law, statute or provision. Agent is not required to employ counsel to represent Landlord in any such proceeding or suit.

8. **Resident Agent for Non-Resident Landlord:** Any individual non-resident of Virginia who owns and leases residential real property consisting of more than four units in Virginia shall have an Agent who is a resident and maintains a business office within the Commonwealth of Virginia. If applicable, the Landlord designates as Resident Agent:

Name: _____ N/A _____ Phone: _____
Address: _____ City: _____ State: _____ Zip: _____

9. **Emergency Contact Person:** If Landlord is a partnership, trust corporation or other entity, or if Landlord consists of two or more individuals, the Landlord agrees that the following designated individual shall have the authority to act on behalf of the entity for all purposes of this Agreement and that notice by Agent to this individual shall constitute notice to Landlord:

Name: _____ Phone: _____
Address: _____ City: _____ State: _____ Zip: _____

10. **Tax Reports:** Landlord is OR is not a US Citizen Landlord is OR is not a resident of Virginia.
Landlord is responsible for filing the appropriate forms with the Internal Revenue Service (IRS) and for non-residential property owners with the Virginia Department of Taxation.

11. **Termination**

A. This Agreement may be terminated by either Party with **30 days'** Notice. In the event the Landlord terminates this Agreement during the original term or in the event of a foreclosure or sale, Agent shall be entitled to an early termination fee equal to **5%** of all gross rents due under the remaining Lease term as of the effective date of termination. Agent shall forward Tenant's security deposit to Landlord and Notice of mailing to Tenant. As of mailing, Agent shall have no further obligation or liability concerning the security deposit. Landlord's reserve account shall be distributed within **30 days** after termination, less any outstanding invoices or obligations and the early termination fee, along with an accounting of funds. Should there be any outstanding obligations against the Landlord's account or a deficit in that account, any amounts received by Agent shall be applied first to satisfy those obligations and then disbursed to Landlord. Landlord waives all protest and defenses against Agent for these disbursements. Landlord agrees to remit immediately to Agent all monies due Agent in accordance with this Agreement. **No termination fee is due if the Agreement is terminated after the original term.**

Landlord initial(s) _____/ _____

Agent _____

