PROPERTY MANAGEMENT AGREEMENT

1. 1. Parties and Property

This Property Management Agreement (the "Agreement") is entered into on [EFFECTIVE DATE] between [OWNER NAME], located at [OWNER ADDRESS] (the "Owner"), and [MANAGER NAME], a licensed property manager located at [MANAGER ADDRESS], license number [LICENSE NUMBER] where required (the "Manager"). The Owner appoints the Manager as exclusive agent to manage the property located at [PROPERTY ADDRESS], described as [PROPERTY DESCRIPTION, e.g., single-family residence, duplex, 12-unit apartment building, commercial suite] (the "Property"). The Owner represents that it holds title to the Property or has full authority to enter into this Agreement, and that there is no other management agreement in effect for the Property. Notices are effective when delivered to [OWNER EMAIL] and [MANAGER EMAIL].

2. 2. Appointment and Authority of the Manager

The Owner grants the Manager authority to advertise and market the Property, show units to prospective tenants, receive and screen applications, negotiate and execute leases and renewals in the name of the Owner, collect rent and other charges, serve notices required under the lease or applicable law, coordinate repairs and maintenance, engage vendors, and take reasonable steps to enforce lease obligations. The Manager will exercise this authority in the ordinary course of managing the Property and consistent with the instructions and limits in this Agreement. The Manager will not, without prior written approval of the Owner: file or settle an eviction action; approve a lease term shorter than [MINIMUM LEASE TERM] or longer than [MAXIMUM LEASE TERM]; accept rent below the minimum in Section 3; incur a maintenance expense above the threshold in Section 7; or commence litigation on behalf of the Owner. The Manager acts as an agent of the Owner and not as an independent principal, and has no authority to sell, encumber, or refinance the Property.

3. 3. Leasing, Marketing, and Tenant Screening

The Manager will market vacant units through [MARKETING CHANNELS, e.g., listing syndication, signage, and the Manager website] and will set asking rent within the range of [MINIMUM RENT] to [TARGET RENT] per month unless the Owner authorizes otherwise in writing. The Manager will screen all applicants using consistent, written criteria applied uniformly to every applicant, which will include [SCREENING CRITERIA, e.g., income verification of at least three times monthly rent, credit history, rental history, and criminal background review to the extent permitted by applicable law]. The Manager will comply with all federal, state, and local fair housing laws in advertising, showing, screening, and leasing, and will not use criteria prohibited in the jurisdiction of the Property. Application fees, where permitted, will be [APPLICATION FEE HANDLING, e.g., retained by the Manager to cover screening costs]. The Manager will use the lease form at [LEASE FORM SOURCE], approved in advance by the Owner, and will provide the Owner with a copy of each executed lease within [LEASE COPY PERIOD, e.g., five business days].

4. 4. Management Fee

The Owner will pay the Manager a management fee of [MANAGEMENT FEE PERCENTAGE, e.g., 8 percent] of gross rent actually collected each month, subject to a minimum monthly fee of [MINIMUM MONTHLY FEE] per unit where applicable. The fee is calculated on rent collected rather than rent billed, so no management fee is earned on unpaid rent, and it is deducted from collected funds before disbursement to the Owner. Gross collected rent for this purpose includes base rent and recurring charges such as [INCLUDED CHARGES, e.g., pet rent and parking] and excludes security deposits, application fees, and reimbursements of Owner expenses. The Parties may agree in writing to a flat monthly fee of [FLAT FEE] in place of the percentage. Fees for a partial month are prorated based on days managed.

5. 5. Leasing Fee, Renewal Fee, and Other Charges

The Owner will pay a leasing fee of [LEASING FEE, e.g., 50 percent of one month rent or a flat amount] when a new tenant executes a lease and takes possession, covering marketing, showings, screening, and lease preparation. A renewal fee of [RENEWAL FEE, e.g., 25 percent of one month rent or a flat amount] applies when an existing tenant signs a renewal or extension negotiated by the Manager. Additional charges, if any, are: setup or onboarding fee of [SETUP FEE]; vacancy or holding fee of [VACANCY FEE] per month while a unit is unoccupied; inspection fee of [INSPECTION FEE] per inspection beyond those included in Section 8; eviction coordination fee of [EVICTION FEE] plus court and attorney costs; and project management fee of [PROJECT FEE PERCENTAGE] on capital improvements exceeding [PROJECT THRESHOLD]. No fee not listed in this Agreement may be charged to the Owner without prior written approval. Late fees, application fees, and other tenant charges are allocated as follows: [TENANT CHARGE ALLOCATION, e.g., late fees split evenly, application fees retained by the Manager].

6. 6. Trust Account, Rent Collection, and Owner Disbursements

The Manager will deposit all rent, tenant charges, and security deposits into a separate trust or escrow account maintained in accordance with applicable state law, held apart from the operating funds of the Manager and never commingled with them. Security deposits will be held [DEPOSIT HANDLING, e.g., in a segregated interest-bearing trust account as required by state law], and any interest earned will be handled as required by that law. The Manager will maintain a reserve of [RESERVE AMOUNT, e.g., $500 per unit] in the operating account funded by the Owner, and will notify the Owner if the reserve falls below [MINIMUM RESERVE] so it can be replenished. The Manager will disburse net proceeds to the Owner by [DISBURSEMENT DATE, e.g., the fifteenth of each month] after deducting the management fee, approved expenses, and the reserve, by [DISBURSEMENT METHOD] to the account designated by the Owner. If disbursements in a month are insufficient to cover approved expenses, the Owner will fund the shortfall within [SHORTFALL FUNDING PERIOD, e.g., five business days] of written notice.

7. 7. Maintenance, Repairs, and Approval Threshold

The Manager will arrange routine maintenance and repairs necessary to keep the Property in habitable, safe, and lease-compliant condition, using licensed and insured vendors where required. The Manager may authorize any single repair up to [MAINTENANCE APPROVAL THRESHOLD, e.g., $500] without prior approval of the Owner, and will obtain written Owner approval before authorizing any expense above that amount. In a genuine emergency threatening life, safety, or material property damage, the Manager may authorize the repairs reasonably necessary to prevent injury or further damage regardless of the threshold, and will notify the Owner within [EMERGENCY NOTICE PERIOD, e.g., 24 hours]. For repairs above [COMPETITIVE BID THRESHOLD], the Manager will obtain at least [NUMBER OF BIDS] written bids unless the Owner directs otherwise. The Manager will not mark up vendor invoices unless a project management fee applies under Section 5 and is disclosed, and the Manager will disclose in writing any ownership interest or affiliation it holds in any vendor used at the Property.

8. 8. Inspections and Property Condition

The Manager will conduct a move-in inspection with written documentation and photographs before each tenancy begins and a move-out inspection at the end of each tenancy, and will use those records to assess deposit deductions. The Manager will perform [ROUTINE INSPECTION FREQUENCY, e.g., one interior inspection per year and periodic exterior drive-by inspections], providing the notice required by applicable law and the lease, and will supply the Owner with a written report and photographs. The Manager will notify the Owner promptly of any condition observed that requires significant repair, appears to violate a code or lease term, or may affect insurability. The Owner is responsible for maintaining the Property in compliance with applicable habitability, building, health, and safety codes and for funding the work required to do so. The Owner will disclose to the Manager any known material condition of the Property, including [DISCLOSURE ITEMS, e.g., lead-based paint for pre-1978 housing, mold history, structural or roof issues, and any pending code violation].

9. 9. Accounting, Reporting, and Year-End Statements

The Manager will maintain complete records of all receipts, disbursements, leases, applications, inspection reports, and correspondence relating to the Property, and will make them available to the Owner on reasonable request. The Manager will provide the Owner with a monthly statement by [STATEMENT DATE, e.g., the fifteenth of the following month] showing rent collected, delinquencies, fees charged, expenses paid with supporting invoices, reserve balance, and net disbursement. After the end of each calendar year, the Manager will provide a year-end summary of income and expenses and will issue or facilitate any information return required by law, including [TAX FORMS, e.g., Form 1099 to vendors where applicable] using the taxpayer information supplied by the Owner. The Owner may audit the records relating to the Property on [AUDIT NOTICE, e.g., 15 days] written notice, at the expense of the Owner unless a material discrepancy is found. The Manager will retain records for [RECORD RETENTION PERIOD, e.g., seven years] or the period required by applicable law.

10. 10. Owner Responsibilities, Insurance, and Funds

The Owner will maintain property insurance and commercial general liability insurance of at least [OWNER LIABILITY COVERAGE, e.g., $1,000,000 per occurrence] covering the Property, will name the Manager as an additional insured, and will provide a certificate of insurance to the Manager and notice of any cancellation or material change. The Owner will keep all mortgage, tax, insurance, association, and utility obligations current unless the Manager is expressly instructed and funded to pay them. The Owner will provide the funds needed to operate the Property, including the reserve in Section 6, and will promptly reimburse the Manager for approved expenses advanced on behalf of the Owner. The Owner will not interfere with the Manager management of tenant relationships, will refer tenant communications to the Manager, and will notify the Manager before entering the Property or contacting a tenant directly. The Owner will disclose any existing lease, deposit held, prepaid rent, or tenant dispute at the start of this Agreement.

11. 11. Legal Compliance, Fair Housing, and Evictions

The Manager will comply with the federal Fair Housing Act, the Americans with Disabilities Act where applicable, state and local landlord-tenant and fair housing law, security deposit statutes, notice requirements, and rent regulation rules applicable to the Property. The Manager will handle reasonable accommodation and modification requests in accordance with applicable law and will notify the Owner of any such request that requires a physical change to the Property. The Manager will serve notices required to enforce the lease and will coordinate eviction proceedings only with prior written authorization of the Owner, using an attorney selected or approved by the Owner, with all court costs, attorney fees, and related expenses paid by the Owner. The Owner acknowledges that the Manager does not provide legal advice and that the Owner is responsible for obtaining counsel on legal questions affecting the Property. Each Party will promptly notify the other of any claim, complaint, agency inquiry, or lawsuit relating to the Property.

12. 12. Indemnification, Liability, and Insurance of the Manager

The Owner will defend, indemnify, and hold harmless the Manager and its personnel from claims, damages, penalties, and reasonable costs arising from the ownership, condition, or operation of the Property, including claims by tenants, vendors, or third parties, except to the extent caused by the gross negligence, fraud, or willful misconduct of the Manager or by its material breach of this Agreement. The Manager will defend, indemnify, and hold harmless the Owner from claims arising out of its own gross negligence, fraud, willful misconduct, or violation of fair housing law by the Manager or its personnel. The Manager will maintain errors and omissions insurance of at least [MANAGER E&O AMOUNT] and general liability insurance of at least [MANAGER LIABILITY AMOUNT], and will provide certificates on request. Neither Party is liable for indirect, incidental, or consequential damages or lost rental income, and except for the excluded claims above the total liability of the Manager will not exceed the management fees paid in the [LIABILITY CAP PERIOD, e.g., twelve months] preceding the claim. The Manager is not liable for the acts of tenants or of independent vendors selected with reasonable care.

13. 13. Term, Renewal, Termination, and Transfer on Exit

This Agreement begins on [START DATE] and continues for an initial term of [INITIAL TERM, e.g., 12 months], renewing automatically for successive [RENEWAL TERM, e.g., 12-month] periods unless either Party gives written notice of non-renewal at least [NON-RENEWAL NOTICE, e.g., 30 days] before the end of the current term. Either Party may terminate for convenience by giving [TERMINATION NOTICE, e.g., 30 days] written notice, and either Party may terminate immediately for a material breach not cured within [CURE PERIOD, e.g., 10 days] after written notice or for the loss of any license required to manage the Property; if the Owner terminates for convenience during the initial term, an early termination fee of [EARLY TERMINATION FEE] applies. If a tenant placed by the Manager remains in possession after termination, a post-termination leasing commission is [POST-TERMINATION FEE TREATMENT, e.g., not payable / payable only on a renewal negotiated before termination], and termination does not affect leases already in place, which continue in accordance with their terms with the Owner or a successor manager. Within [TRANSFER PERIOD, e.g., 30 days] after termination, the Manager will deliver to the Owner or a designated successor manager: all security deposits and prepaid rent held, together with an accounting for each tenant; all funds held in the trust account net of the management fee earned and approved expenses incurred through the termination date; all executed leases, applications, screening records, inspection reports, photographs, vendor contracts, warranties, and keys; and a final statement of account. The Manager will notify each tenant in writing of the change in management and of where rent should be paid going forward, in the form and within the period required by applicable law, and the Owner will assume responsibility for all deposits transferred and for compliance with deposit return requirements after the transfer date. The Manager may not withhold deposits, leases, or keys as leverage in a fee dispute, and any disputed fee will be pursued separately under Section 14.

14. 14. Governing Law and General Provisions

This Agreement is governed by the laws of the State of [GOVERNING STATE], where the Property is located, without regard to conflict of laws rules, and any dispute not resolved through good-faith discussion and mediation in [MEDIATION LOCATION] will be brought exclusively in the courts located in [VENUE COUNTY AND STATE]. This Agreement, with its exhibits, is the entire agreement between the Parties on management of the Property and supersedes prior arrangements; amendments must be in writing and signed by both Parties. Neither Party may assign this Agreement without written consent, except that the Manager may assign to a successor acquiring substantially all of its management business on [ASSIGNMENT NOTICE, e.g., 30 days] written notice to the Owner, who may terminate without penalty if it objects. If any provision is unenforceable it will be limited to the minimum extent necessary and the remainder stays in force, and neither Party is liable for delay caused by events beyond its reasonable control. The prevailing Party in any action to enforce this Agreement may recover reasonable attorney fees and costs.

15. 15. Signatures

By signing below, both Parties confirm they have read and agree to this Agreement as of the Effective Date. OWNER: [OWNER NAME]. Signature: ______________________. Printed Name: [OWNER SIGNER NAME]. Date: [DATE]. MANAGER: [MANAGER NAME]. Signature: ______________________. Printed Name: [MANAGER SIGNER NAME]. Title: [TITLE]. License Number: [LICENSE NUMBER]. Date: [DATE]. This Agreement may be executed in counterparts, and electronic signatures have the same effect as original signatures.

16. Disclaimer

This template is provided for general informational purposes only and is not legal advice. Property management is licensed and regulated in most states, and rules on trust accounting, security deposit handling, agency disclosure, eviction procedure, fair housing, and rent regulation vary significantly by state and city. Review and adapt this document for the jurisdiction where the property is located, and consult a licensed attorney before using it. Use of this template does not create an attorney-client relationship with ScanContract.