
*Chances are Realty*

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**PROPERTY MANAGEMENT AND EXCLUSIVE RENTAL AGREEMENT**
Prince George's County, Maryland

This Agreement, made on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, by and between, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, hereinafter referred to as "Owner" who represents that Owner has the right to lease the property located at\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ ("the Property") and,\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ hereinafter referred to as "Agent". Owner will abide by federal, state and local laws, ordinances and regulations governing fair housing rules and practices regarding discrimination, as well as all other pertinent laws. The Property listed herein shall be shown and made available to al persons without regard to race, color, religion, national origin, ancestry, sex, age, marital status, sexual orientation, presence of children, familial status, age over 62, physical or mental handicaps and al additional classes protected under all applicable local fair housing laws.

NOW, THEREFORE, in consideration of the premises and the covenants hereinafter contained, it is hereby agreed by and between Owner and Agent hereto as follows:

**1. TERM/RENEWAL**Owner hereby exclusively employs Agent to rent, lease, operate and manage the Property, upon the terms hereinafter set forth for the period of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ beginning on the\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ and ending on the \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, \_\_\_\_\_\_\_\_\_\_ and thereafter for annual periods unless on or before sixty (60) calendar days prior to the date last above mentioned or any annual renewal date after the end of the existing term, either party hereto shall notify the other in writing of its intention to terminate the Agreement at the expiration of said term in which case this Agreement will be terminated.

The Property will be available for occupancy on or about \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, (date) The Property is within the (print name of common ownership community, if applicable). \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

**2. RENTAL, RATE/TERMS**Owner hereby authorizes Agent to offer the Property for rent at a monthly rental of $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, Agent shall negotiate and execute leases in his best judgment to secure the highest reasonable rent attainable consistent with the circumstances and existing rental conditions, but not less than $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_. Leases are to be written on the applicable Prince George's County Association of REALTORS®, Inc. recommended lease form.

Additional Leasing Information:
Term Available: Maximum \_\_\_\_\_\_\_\_\_ Minimum \_\_\_\_\_\_\_\_\_Maximum Number of Occupants: \_\_\_\_\_\_\_\_
Amount of Security Deposit Required: $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
Pets Accepted❑YES NO ❑; Owner Transfer Clause Required: ❑ YES NO ❑;
Smoking Permissible: ❑YES NO ❑

**3. ADVERTISING**Agent is authorized to place a "For Rent" sign on the Property and to advertise the Property for rent. Advertising costs to be paid by \_\_\_\_\_\_\_Agent, \_\_\_\_\_\_\_Owner, and the form, content and frequency shall be in the sole discretion of Agent. Owner agrees to deposit $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ with Agent in advance of any advertising being places by Agent, which amount agent shall not exceed without written consent of Owner. Agent's obligation to advertise is a Agent's sole discretion. Unused advertising dollars shall be refunded to Owner

**4. MAINTENANCE/MINIMUM BALANCE**a. Owner warrants that the electrical, pluming, heating and air conditioning and any other mechanical systems and related equipment, including kitchen and laundry appliances included as a part of the leased premises, shall be in good operating condition at the time of tenant's occupancy. In the event tenant finds equipment not to be in good operating condition, Agent is authorized to have said equipment repaired and deduct the cost from Owner's funds, if sufficient, or Owner will reimburse Agent promptly upon request from Agent.

b. Except as provided herein, Owner authorized Agent and Agent agrees to perform necessary and proper maintenance, repairs, cleaning and decorations in and to the Property and the purchase of incidental supplies therefore at Owner's expense. Owner agrees to deposit the sum of $\_\_\_\_\_\_\_\_\_\_\_ (to be held as a Minimum Balance) with Agent make routine repairs and work above and beyond routine property management duties. Costs of repairs or replacement of appliances, hot water heaters, furnaces, and other repairs, replacements or improvements shall be billed to Owner at actual contract costs to Agent plus a **2.00\_\_** % fee for administrative work and supervision. A reasonable charge may be made by Agent for time or charges necessary to comply with all applicable governmental laws or regulations and compliance with such rules or regulations, or excessive time spent in protecting Owner's interests in any way, such as legal actions or inspections. The Minimum Balance is to be maintained from the balance of rent monies or by additional funds paid promptly by Owner upon request from Agent.

c. Except in the event of emergencies, expenditures exceeding $ \_\_\_\_\_will be made by Agent only after being authorized to do so by Owner. It is agreed and understood that emergency repairs are those which in the opinion of Agent are expedient, desirable or necessary for the health, comfort and safety of the tenant or for the protection of the Property; for compliance with housing codes or violation notices; or to maintain services to the tenant as called for by the lease, which repairs Agent is authorized to make. The decision of Agent will be accepted as final in any of the foregoing instances and charges for the same shall be billed by Owner.

d. If Owner requests and authorizes Agent to make payments on the trusts or mortgages secured by the Property, Owner will keep the account funded with Agent in an amount sufficient to cover the monthly costs of the trusts, mortgages or expenses on the Property. Agent agrees, upon request and authorization by Owner, to make timely payments on any trust or mortgage secured by the said Property in accordance with a schedule of payments and account numbers supplied by Owner to Agent; provided, however, that there are sufficient funds immediately available in Owner's account with Agent for such purpose. Agent will not be expected nor obligated to advance or disburse any money, or any money owed as compensation to Agent for services hereunder for such purpose nor shall Agent be liable in any way to Owner for the default or any consequences thereof in the terms of any trust or mortgage. Agent in its sole discretion may make payments on said trusts or mortgages in the event that there is a deficiency, but is under no obligation to do so. If at any time, for any reason, there is a deficit in Owner's account with Agent, Owner shall reimburse Agent within ten (10) calendar days of notice of said deficit. Owner expressly consents to said payments being advanced and made by Agent without Owner's prior approval. If reimbursement is not made to Agent within the ten (10) calendar day period, then this Agreement may be terminated in the sole discretion of Agent upon written notice to Owner.

e. In the event that Owner, after having been given ten (10) calendar days notice of monies advanced by Agent, fails to reimburse Agent for said monies advanced on Owner's behalf by Agent, Agent in Agent's sole election and discretion, shall have the option to charge **2**.**000** % per month interest on said unpaid balance, as well as the right to apply any of Owner's monies to pay said advancements and/or to pursue any legal and equitable remedies.

**5. COMPLIANCE WITH CODES**

a. At all times, Property is to be maintained in compliance with all County and municipal housing and property standard codes, including but not limited to maintenance condition and rent control/stabilization laws. If, at any time, repairs should become necessary to maintain compliance, Agent is authorized to cause such repairs to be made and to withhold the cost thereof from Owner's account, if sufficient, or Owner agrees to promptly reimburse Agent, upon request. Should Owner refuse to permit or to pay for any such repairs, Agent shall have the right to cancel this Agreement pursuant to

Agreement Provision #9 d.

b. Except where caused by any negligent act or omission of Agent or Agent's employees, agents or contractors the Agent does not assume and is given no responsibility for compliance of any building on the Premises or any equipment therein with the requirements of any statute, ordinance, law or regulation of any governmental body of any public authority or official thereof having jurisdiction, except to notify the Owner promptly or forward to the Owner promptly any complaints, warnings, notices or summons received by it relating to such matters. The Owner represents that to the best of his knowledge the Premises and such equipment comply with all such requirements and authorizes the Agent to disclose the ownership of the Premises to any such officials and agrees to indemnify and hold harmless the Agent, its representatives, servants and employees, of and from all loss, cost, expense and liability whatsoever which may be imposed on them or any of them by reason of any present or future violation or alleged violation of such laws, ordinances, statutes or regulations, except where caused by any negligent act or omission of Agent or Agent's employees, agents or contractors.

**6. WARRANTIES/SERVICE CONTRACTS/SERVICE** **PROVIDERS**

Owner Agrees to provide Agent with all current warranties on installed equipment and appliances and the names and phone numbers of any contractor(s)/trades people that Owner desires Agent to utilize as needed. Agent will call contractors/trades people requested whenever possible, but in no event will Agent be held liable should Agent fail to do so. Owner agrees that no contractor, whether employed by Owner or Agent, shall provide services to the Property unless the contractor is properly licensed and first produces an insurance certificate naming Agent as additional insured for liability purposes.

In the event there is a warranty, or Owner subsequently secures a warranty on the Property or any equipment therein, Agent will endeavor to utilize that warranty for repairs, but shall be under no obligation to place service calls through warranty companies. When possible, maintenance calls will be placed to owner's warranty provider. If Agent is unable to reach the warranty provider or the warranty provider cannot perform required work within a reasonable time, which will vary based on the urgency of the task, Agent shall be free to order repairs through its usual vendors and Owner agrees to accept responsibility for payment. Call-back for warranty work will go to non-warranty company vendors.

It shall be the Owner's responsibility to provide Agent with warranty contact information, account numbers and/or terms. If there is a service contract that provides for periodic maintenance, the Owner shall advise Agent when that maintenance is due.

Any heating, air conditioning, electrical or plumbing issues shall be treated as an emergency. Thus, if Owner's warranty provider or preferred contractor cannot or does not perform within a reasonable time, which may be deemed to be only a few hours, Agent shall be free to order necessary repairs through its own vendors in order to satisfy emergency needs.

**7. LEASING FEE**

Owner agrees to pay Agent a leasing fee which is separate and apart from the property management fee specified in Paragraph 8. The leasing fee shall be **80.000** % of the first month's rent or $ . It is further agreed that in any instance where Agent is required to negotiate and/or have executed a longer term or lease renewal or extension that an additional leasing fee of **20**.**000** % of the first month's rent or $ shall be paid by Owner to Agent for each year or portion thereof that the lease is renewed or extended. Owner agrees to pay said leasing fee and/or additional leasing fee when a tenant has been obtained who is ready, willing and able to lease the Property on the terms and conditions set forth herein or any variance from those terms to which Owner may agree. Agent shall be entitled to retain said fees (or portion thereof) from the first full month's rent paid by Tenant.

**8.** **MANAGEMENT FEE**

Owner covenants and agrees to pay as compensation for the property management services of Agent (in addition to the leasing fee) a fee of **\_\_\_\_\_** % of all gross rentals collected by Agent per month or a

minimum of $ \_\_\_\_\_\_\_\_\_\_\_\_per month, whichever is greater. Owner further agrees to pay as compensation for property management services, a fee of $ \_0\_\_\_\_a month when the Property is vacant.

**9. TERMINATION**

a. BY OWNER, WITHOUT CAUSE

Owner shall have the right to terminate this agreement with or without cause. If Owner terminates this Agreement without cause, Agent shall be paid as compensation for its services an amount equal to
**10.000** % of the rents due from the effective date of said termination to the end of the term of this agreement (initial or subsequent anniversary). In the event the Property is vacant at time of termination, the "rent" shall be determined as that rent most recently charged.

b. TERMINATION BY AGENT

In the event Owner shall take or fail to take any action as required by law; the terms of this Agreement or the terms of the written lease, Agent, in Agents sole and absolute discretion, shall have the right to terminate this Agreement at any time by written notice to the Owner of the election to do so.

c. TERMINATION DURING VACANCY

 In the event that the Property remains vacant at any time for more than (\_90 ) calendar days either Owner or Agent may terminate this Agreement upon written notice. If Owner exercises this right to terminate this Agreement, Owner shall pay to Agent the sum of **$250.00**\_ as compensation for Agent's efforts to lease the Property and shall pay the advertising and other costs actually expended by Agent in attempting to lease the Property. If Agent terminates this Agreement, Owner shall pay to Agent only the advertising and other costs actually expended by Agent in attempting to lease the Property. Additionally, any leasing or additional leasing fee shall be paid by Owner to Agent if a tenant has been shown Property prior to the termination of this Agreement even though the execution of the lease occurs after the expiration.

d. NOTICE OF TERMINATION

Termination notice may be served personally or by registered or certified mail. Termination shall be effective ten (10) days after same is deposited in the mails or hand delivered to Owner. Such cancellation shall not release the indemnities of the Owner set forth in this Agreement and shall not terminate any liability or obligation of the Owner to the Agent for any payment, reimbursement or other sum of money then due and payable to the Agent hereunder.

**10.** **ACCOUNTING/DISBURSEMENTS**

Agent shall keep accurate records of the receipts and expenditures for the Property and shall furnish Owner with such data from time to time as Owner may require. Agent shall make disbursements to Owner \_X\_\_\_ monthly, \_\_ quarterly. Agent will submit to the Internal Revenue Service at the conclusion of each year, a Form 1099 indicating rents received for the lease of the Property.

**11.** **SALES COMMISSION**

In the event the Property is sold to the tenant during the tenancy or any renewal or extension thereof, or within (\_30\_ ) calendar days after the termination or expiration of any tenancy, Owner agrees to pay Agent a brokerage fee equal to 3 . 000 % of the sales price.

**12**. **EXCLUSIVE RIGHT TO SELL**

Because the efforts of Agent in effectively managing the Property described in this Agreement will enhance its value and contribute to its marketability and because the real estate license law of the State of Maryland requires that a licensee may not show a property for sale or negotiate a sale without having a written listing agreement on the Property, and because Agent may know of opportunities to sell the Property and may wish to show and negotiate offers on the Property when Agent believes that a sale of the Property may be in the best interest of Owner, it is agreed that if Owner decides to sell or exchange the Property to tenant(s) or to other person(s) during the term of this Agreement or within ninety (90) calendar days following the expiration or termination of any lease agreement procured by Agent, or any renewal of such lease, Agent shall have the EXCLUSIVE RIGHT TO SELL or exchange the Property at a price and upon terms acceptable to Owner. In the event of such sale or exchange, Owner agrees to pay to Agent a brokerage fee in the amount of **3.000** % of the sale. Owner agrees to execute a written exclusive right to sell listing agreement containing provisions as required by Maryland law on such form as shall be provided by Agent. Failure of Owner to execute a written listing agreement shall not relieve Owner from Owner's Obligation to pay such brokerage fee to Agent in the event of a sale or exchange of the Property by Owner.

**13**. **MULTIPLE LISTING**

The Property ❑ shall ❑shall not (place X on appropriate box) be entered into the rental Multiple Listing system of the Metropolitan Regional Information System, Inc. \_\_\_\_. (Owner's Initials) .Owner authorizes Agent to cooperate with Brokers representing tenants (or buyers) in the rental (or sale) of the Property.

 ❑ YES ❑NO \_\_\_\_\_\_\_\_\_. (Owner's Initials)

**14.** **AGENCY/DUAL AGENCY**

Owner acknowledges that Agent may represent other owners who have similar properties for rent and that Agent may show other available properties to any prospective tenant(s). Owner also acknowledges that Agent may work with or represent tenant(s) who are looking for similar properties to rent, but that a separate Consent for Dual Agency would be presented to Owner before licensees with Agent's firm may show the Property to tenant(s) who are represented by Agent.

In the event of Dual Agency and either Owner or Agent declines to consent in writing to Dual Agency, Agent may terminate the agency relationship with the tenant(s) and continue to represent Owner under the rental listing Agreement. If there is no consent to Dual Agency and Agent elects to continue to represent the Tenant, the rental listing Agreement shall be terminated. In such event, Owner must either represent himself or herself or arrange to be represented by a real estate licensee from another real estate company. Compensation to Agent shall be paid in accordance with the terms hereof and as set forth in the written rental listing agreement.

**15**. **ADDITIONAL PROVISIONS**

 Additional provisions: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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**16. DILIGENCE**

Agent covenants and agrees to use diligence in the management of the Property during the term of this Agreement until expiration or termination of same, and to perform the services in leasing, rental, operation and management of the Property.

Agent agrees to use Agent's best efforts and due diligence to procure a suitable tenant for vacancies as they occur in the Property in accordance with a schedule of rentals supplied by Owner to Agent and to endeavor to collect all rentals which become due in accordance with the terms of any lease now in existence on the Property, or which might be executed in the future by Agent for the benefit of Owner. Nothing in this Agreement shall be construed as a guarantee or warranty by Agent of the payment of rents or other charges by the tenant.

**17. SECURITY DEPOSITS**

Agent is directed to deposit, within thirty (30) calendar days of receipt, all security deposits received under newly executed leases in a federally insured Banking or Savings Institution authorized to conduct business in the State of Maryland. This account shall be devoted exclusively to security deposits, labeled Escrow Accounts, and shall bear interest. Interest received is to be paid first to the tenant in an amount as required by the Annotated Code of Maryland, Real Property Article, Section 8-203 (Security Deposits) and any residual amount may be retained by Agent as compensation for administering and accounting for the payment due tenant. In the event interest earned on the security deposit is insufficient to meet the minimum amount required by law, Owner agrees to subsidize the amount as needed to bring the balance to the required minimum.

Upon expiration or termination of any lease, or in the event tenant(s) shall vacate the Property prior to the expiration of the lease, Agent shall inspect the Property for damages and shall determine, in the sole and exclusive judgment of Agent, the amount of deduction for damages to be applied against the rental security deposit pursuant to Section 8-203 of the Real Property Article, Annotated Code of Maryland, and Owner hereby agrees to be bound by such determination made by Agent.

In the event of a full or partial forfeiture of security deposits by tenant, Agent shall apply such amount to the oldest charge on tenant's account first, thereby entitling Agent to any fees earned through the satisfaction of those charges by tenant, including management fees, late fees and other fees or charges due Agent.

**18. PROMPT DEPOSIT OF FUNDS**

Agent agrees to deposit all receipts collected for Owner (less any amount which Agent is authorized to deduct there from) in a trust or escrow account in a Federally insured Banking or Savings Institution authorized to conduct business in the State of Maryland, separate from Agent's personal account. Agent shall not be held liable for any loss caused by the bankruptcy or failure of the bank or institution in which Owner's funds are deposited.

**19**. **COLLECTION OF RENTS**

Agent shall use Agent's best efforts to collect rents as and when the same become due and payable without recourse to legal action. However, Agent has the right to hire an attorney at the expense of Owner to institute legal action in the name of Owner or Agent in an effort to collect rental and other expense items due from tenant and/or for repossession of the Property occupied by delinquent tenants or tenants in violation of lease covenants. When expedient and in Owner's best interest, Agent shall settle, compromise and release such actions or lawsuits or reinstate such covenants, including actions not relative to repossession of Property. Any late charges, returned check fees as permitted by the laws of Maryland or other fees collected by Agent from the tenant under the lease shall be retained by Agent as compensation for the additional work, time and administrative expense involved.

All payments from tenant shall be applied to tenant's oldest balance first unless such application is prohibited by law.

**20**. **VISUAL PROPERTY SURVEYS**

Agent will conduct Visual Property Surveys approximately **"**X" every six months ❑ annually, by appointment with tenant, of both the interior and exterior of the Property and will report the Property condition to Owner.

**21**. **MINISTERIAL ACTS**

Owner agrees that Agent may perform ministerial acts for Owner and tenant. A ministerial act is an act that Agent performs on behalf of Owner or tenant after the execution of a lease or rental application which assists the tenant to complete or fulfill a lease terms; which does not involve discretion or the exercise of Agent's own judgment.

**22.** **HOLD HARMLESSIINSURANCE**

Owner agrees to indemnify, defend, hold harmless, and save Agent, its officers, directors, partners, employees and agents, from any and all liability for damages to persons or Property arising out of the condition of the premises or the use thereof that is beyond the control of Agent and from any expense in connection with any claim for damages. Owner will provide or otherwise authorize Agent to order, at Owner's expense, an Owner-Landlord-Tenant Liability insurance policy, naming both Owner and Agent as insured parties, with a minimum coverage to be $500,000, to save Owner and Agent

harmless from any suit involving liability and the party obtaining such insurance shall provide the other party with a Certificate of Insurance for same, naming Agent as "additional insured" under the liability portion. In the event that the insurance certificate is not received by Agent within five (5) calendar days from the execution of this Agreement, Agent may obtain such insurance at Owner's expense. Owner shall obtain, at Owner's expense, a fire and casualty insurance policy to provide for adequate vandalism, malicious mischief and extended coverage insurance in the event that the Property becomes vacant. In the event Owner's insurance provider will not issue any coverage, as provided in this paragraph, it shall be the duty of Owner to seek alternative coverage which compiles. Should Owner fail to obtain and maintain required insurance coverage, Owner shall remain personally liable for damages to the Property which may occur.

Owner agrees to defend promptly and diligently, at Owner's expense, any claim, civil or criminal action, proceeding, charge or prosecution made, instituted or maintained against Agent or Agent and Owner, jointly or severally, arising out of the condition, management or use of the Property, or acts or omissions of employees of Owner in connection therewith, or otherwise, and to hold harmless and fully indemnify Agent from any judgment, loss or settlement on account thereof.

**23**. **COMMON OWNERSHIP COMMUNITY RULES**

Owner is responsible for providing Agent with any and all Condominium, Co-op or Home Owners Association rules and regulations; and Declaration, Covenants and Bylaws, where applicable.

**24.** **RADON AND OTHER HAZARDS**

Owner is responsible for providing Agent with all information known to Owner regarding hazardous substances and materials in the Property, including but not limited to asbestos, radon and lead-based paint.

**25.** **PERSONAL PROPERTY**

Owner agrees that Agent will not be responsible for Owner's personal possessions left on the Property and Owner is strongly urged to remove all personal possessions from the Property prior to rental.

**26. UTILITIES AND SERVICES**

Owner hereby authorizes Agent to enter into contracts, in Owner's name and at Owner's expense, for electricity, gas, fuel, water, sewer, trash removal and other services to and for the Property, when same are not the responsibility of the tenant.

**27**. **RENTAL LICENSE**

Owner is responsible for obtaining and timely renewing a rental facility license from the Prince George's County Department of Environmental Resources or any municipality requiring a rental license. Owner agrees to indemnify and hold Agent harmless from any liability for damages or loss arising out of Owner's failure to maintain any required rental facility licenses. Owner will provide Agent with a copy of the current rental facility license at time of execution of this Agreement or as soon as the license is obtained, whichever first occurs.

Property is currently licensed ❑Yes ❑ No\_\_\_(Owner's Initials)

Agent should obtain license at owners expense ❑ Yes ❑ No \_\_\_\_(Owner's Initials)

 **28. EMPLOYEES** *(Agent Agrees)*

Owner covenants and agrees that any and all personnel required for the operation and maintenance of the Property shall be deemed independent contractors or employees of Owner and not Agent; that Agent may perform any of its duties through Owner's attorney, agents or employees or an attorney obtained by Agent; and that Agent shall not be responsible for the acts, defaults or negligence of the tenant and/or employees or agents of Owner, or any employees of independent contractors.

**29. FINAL ACCOUNTING/REMITTANCE**

Until expiration or termination of this Agreement for any reason whatsoever, Agent agrees to remit to Owner an accounting and all monies due Owner as soon as all obligations regarding Property are satisfied. Owner agrees to remit immediately to Agent all monies due Agent in accordance with the terms of this Agreement upon demand by Agent.

**30. ADVANCED NOTICE OF DISBURSEMENTS**

Owner agrees to furnish advanced notice of any property taxes, special assessments, insurance or other charges against the Property if Agent is to remit such payments and it shall be Owner's responsibility to ensure that Agent has sufficient funds with which to disburse these payments in a timely manner. Agent shall have no obligation to advance funds for said payments, but shall promptly give written notification to Owner if there are not sufficient funds available.

**31. SMOKE DETECTORS**

Owner has been advised that the State of Maryland, Prince George's County, and certain Municipalities within the County require, by law, that smoke detectors be installed and in operating condition in accordance with such laws prior to any change in occupancy of a dwelling unit. Owner may contact the Prince George's County Department of Fire and Rescue Service, Division of Fire Protection, or local municipal governments for information regarding the specific requirement of the Smoke Detector Ordinances and agrees to comply with these requirements.

**32. SURVIVAL**

The terms of this Property Management and Exclusive Rental Agreement shall survive the execution and delivery of any lease herein referenced and shall not be merged therein and further, shall survive the expiration and/or termination of this Agreement.

**33. MANAGEMENT INFORMATION**

Owner shall complete and return to Agent the Residential Management Information Form, provided by Agent, which shall be made a part of this agreement; and expressly incorporated by reference herein.

**34. LEAD PAINT**
 a. Applicable Law
If the property was constructed prior to 1978, Owner acknowledges the provisions of the Federal Residential Lead-Based Paint Hazard Reduction Act of 1992 ("the Federal Act") will apply to the lease of the Property. If the Property was constructed prior to 1950, in addition to The Federal Act, the provisions of the Maryland Lead Poisoning Prevention Program ("the Maryland Program") will apply to the lease of the Property. If the Property was constructed between January 1, 1950 and December 31, 1978, the provisions of the Maryland Program will also apply to the lease of the Property if Owner has voluntarily elected to participate in the Maryland Program.

According to the tax assessment records, the Property was constructed in \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

Lead Paint Program Applicability:
❑ The Property was constructed after 1978. The Federal Act does not apply.
❑ The Property was constructed prior to 1950 making participation in the Maryland Program mandatory.
❑ The Property was constructed between January 1, 1950 and December 31, 1978

 ❑Owner hereby directs Agent to Opt-Into the Maryland Program
 ❑Owner wishes to Opt-Out of the Maryland Program
❑ The Property has been registered with the Maryland Department of the Environment: Reg. # \_\_\_\_\_\_\_
❑ The Property was built before 1979 and was certified to be lead free. (attach certificate)

❑ The Property received a conditional lead free certificate (attach copy)which requires that a certificate lead inspector inspect any exterior lead-based paint every two years. The last inspection was conducted on: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

b. Owner's and Agents Compliance Requirements
 1. If the Federal Act is applicable:

1. Owner shall complete a Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards form at the time of execution of this Agreement.
2. Agent shall provide the complete disclosure of Information form and required EP A Pamphlet ("Protect Your Family From Lead in Your Home") to tenant(s) at the time a lease is signed or before occupancy, in the event of a verbal lease.

2. If the Maryland Program is applicable:

1. Owner shall be responsible for full compliance under the Maryland Program, including but not limited to, registration, inspections, lead-paint risk reduction and abatement procedures; payment of all fees, costs and expenses; notice requirements and qualified offer requirements.
2. Agent shall provide all current tenants of the Property, if any, and all new tenant(s) with the Notice of Tenant(s) Rights and the EPA brochure ("Protect Your Family From Lead in Your Home") required under the Maryland Program at the time a lease is signed or before occupancy in the event of a verbal lease and shall provide additional copies of each to tenant(s) every two (2) years thereafter as required under the Mary land Program.

c. Covenants of Owner. During the term of this Agreement, Owner covenants and agrees to:

1. Maintain the registration of the Property with the Maryland Department of the Environment (unless certified lead free by the Department) and to pay the required annual fee applicable to such registration.
2. Satisfy the risk reduction standards required by the law each time that there has been a change in occupancy and ensure that the risk reduction standards have been satisfied before a new tenant occupies the Property.
3. Provide Agent with copies of all written notices received from the Maryland Department of the Environment, local health authorities, tenants, or any other person which relates, directly or indirectly to the presence of lead paint, lead poisoning or required risk reduction repairs or abatement.
4. Make no repairs or improvements to the Property, or allow the tenant(s) to do so, except in strict accordance with the provisions of the Maryland Program.
5. Maintain adequate liability insurance coverage for the benefit of the Property naming the Agent as an additional insured under such policy of insurance. Upon request, Owner shall provide Agent with a copy of such insurance policy.
6. Limitation of Agent's Undertaking

Except as otherwise stated herein, Agent shall have no further obligation, responsibility or legal liability in connection with any of the requirements as provided under the Federal Act or in the Maryland Program. Except for the purposes of registering the property and obtaining required lead based paint testes) under the Maryland Program, owner understands and acknowledges that Agent is neither authorized to act on behalf of owner, nor does agent assume any responsibility or obligation to do so in connection with Owner's duties under the Federal Act or the Maryland Program.

1. Indemnification of Agent

Owner does for Owner, Owner's heirs, personal representatives and assigns, release, indemnify, acquit, exonerate, discharge and hold harmless Agent and all of the stockholders, partners, officers, agents and employees of Agent of and from all and every manner of action and actions, causes of actions, suits, debts, dues, sums of money, costs, including reasonable attorneys' fees, accounts, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, claims, and demands, whatsoever, directly or indirectly, at law or in equity, for any failure of Owner to perform or satisfy any of the requirements or provisions of the Federal Act or the Maryland Program; Agent's management of the Property; or any allegations of lead paint poisoning.

Agent will administer notifications as required for compliance with the Federal Act and the Maryland Program and notification process and will receive an administration fee of $ \_\_\_\_\_per unit.

Upon a vacancy, Agent will order required testing for lead contamination by a certified inspector and, if elevated lead levels are found, a cleaning and abatement process will be ordered prior to the re-rental of the unit. Agent will administer this process and will receive an administrative fee of $\_\_\_\_\_\_ per unit prior to commencement of the inspection process.

**35. RENOVATION/REPAIR/PAINTING OF PROPERTY**

In accordance with the Lead Renovation, Repair and Painting Rule ("RRP") as adopted by the Environmental Protection Agency ("the EPA"), effective April 22, 2010, if the improvement(s) on the Property was built before 1978, contractor(s) engaged by the Owner to renovate, repair or paint the Property must be certified by the EPA to perform such renovation, repair and painting projects that may disturb lead-based paint. Before and during any renovation, repair or painting project on any pre-I978 housing, contractor(s) must comply with all requirements of the RRP.

Should Owner personally perform any renovation, repair or painting project which might disturb lead-based paint in pre-I978 rental housing, owner must also be certified by the EPA prior to such renovation, repair or painting and conduct all renovation, repair or painting in accordance with the EPA lead-safe work practices and the RRP.

Agent, on behalf of Owner, shall not pay, from funds held by Agent, monies to any contractor(s) hired by Owner to renovate, repair or paint pre-I978 rental housing unless Owner provides to Agent written evidence, satisfactory to Agent, that all such contractor(s) to perform such work are certified by the EPA, or state equivalent, and shall perform such work in strict accordance with the RRP.

For detailed information regarding the RRP, Owner should visit [www.epa.gov/lead/pubs/renovation.htm.](http://www.epa.gov/lead/pubs/renovation.htm.)

**Owner acknowledges that Owner has read and understands the provisions of this Section**

**\_\_\_\_\_ *(Owner's Initials)***

**36. PENDING OR ACTUAL BANKRUPTCY/FORECLOSURE**

In the event Owner shall file for protection under the bankruptcy laws of the United States or in the event a lender shall file a Petition of Foreclosure against the Property, Owner shall immediately notify Agent in writing of such filing, and in such event, Agent, upon written notice to Owner, may elect to terminate this Agreement, such termination shall be effective upon receipt of written notice by Owner.

**37. FINAL AGREEMENT**

a. The terms and provisions of this Agreement shall be construed and interpreted pursuant to the laws of the State of Maryland. If any provision is deemed invalid within this Agreement, it shall not affect the remaining provisions as stated herein which shall be deemed valid and enforceable. Feminine or neuter pronouns shall be substituted for those of the masculine form, and the plural shall be substituted for the singular number, in any place or places herein in which the context may require such substitution.

b. This Agreement shall be construed as having been entered into for business and commercial purposes.

c. The captions appearing in this agreement are inserted only as a matter of convenience and in no way define, limit, construe or describe the scope or intent of any paragraph or section of this agreement nor in any way affect this agreement.

d. Notices required to be given to Owner by this Agreement shall be in writing and effective as of the date on which such notice is delivered to the last known address of Owner or when mailed to Owner's address as shown on this Agreement. Notices required to be given to Agent by this Agreement shall be in writing and effective as of the date on which such notice is hand delivered or mailed to the address of Agent as shown on this Agreement or to the last address provided to Owner by agent.

e. This Agreement is entered into and made with complete understanding, accord, and without reservation and shall be binding upon any successors, assigns, executors or heirs of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in duplicate originals, one of which is retained by each of the parties.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
BROKER/PROPERTY MANAGER OWNER

By:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** OWNER **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** Mailing Address

 **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

 **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_** Telephone Number(s)

 **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

 Local Person to Contact in Case of Emergency