



## Exclusive Property Management Agreement

This Exclusive Property Management Agreement (“Agreement”) is entered into by and between:

\_\_\_\_\_ (“Owner”)  
and PMP Carolinas, Inc. (“Agent”).

In consideration of the mutual covenants and promises set forth herein, Owner hereby contracts with Agent, and Agent hereby contracts with Owner, to lease and manage the property described below, as well as any other property Owner and Agent may from time to time agree in writing will be subject to this Agreement (“the Property”), in accordance with all applicable laws and regulations, upon the terms and conditions contained herein.

**1. Property.** \_\_\_\_\_ (“Property”)

**2. Duration of Agreement.** This Agreement shall commence on the date both Owner and Agent have signed and dated, and shall automatically renew on a month-to-month term until either party terminates by providing at least 30 days written notice prior to the end of the month to the other party.

**3. Compliance with the Law:** The parties will comply with all obligations, duties, and responsibilities under all North Carolina and Federal laws, including fair housing, and any other statute, administrative rule, ordinance, or home owner’s association covenant applicable to the property. Owner acknowledges that Agent is subject to the regulations of the state’s Real Estate Commission and must comply with Real Estate Commission rules and regulations in the formation of this contract, and the performance of its duties under this Agreement.

**4. Agent’s Fee.** For services performed hereunder, Owner shall compensate Agent in the following manner: (i). A fee (“Fee”) equal to the greater of 8.5% of the total gross rental income received on all rental agreements, and (ii). A commission (“Commission”) equal to the greater of 50% of the total rental income received for the first full month of the lease period. Agent may, at the sole discretion of Agent, provide other agents representing tenants, with a portion of the Commission offered.

**5. Other Fees.** Agent will also charge a lease fee of \$100 for all new leases and renewal leases to Owner. Agent may charge tenant or Owner reasonable administrative fees permitted by law and retain such fees, including but not limited to, fees for processing tenant rental application, late fees in tenant’s lease, return check fees, travel and/or trip fees, eviction fees, court appearance fees, and any fee Agent deems reasonable.

*Note: No fees may be deducted from any tenant security deposit until the termination of the tenancy.*

Owner Initials: \_\_\_\_\_

Agent Initials: \_\_\_\_\_

**6. Authority of Agent.** Owner grants to Agent the following authority, which Agent will exercise at Agent's discretion:

- (a) Advertise the Property for rent by means and methods that Agent determines, including but not limited to placing a "for rent" sign on the property, advertising the Property online, conducting self-service showings, and showing the Property to prospective tenants and other agents.
- (b) Negotiate and execute leases on Owner's behalf for the Property at market rates and on competitively reasonable terms. Agent shall, at Agent's discretion, establish, maintain, and terminate tenancies with tenants of the Property. The Agent shall have sole responsibility for establishing terms and conditions for tenancies of the Property, including but not limited to approving applicants, establishing rents, deposits, fees, pet terms, and lease terms and conditions.
- (c) Collect all rentals and other charges and amounts due under tenant leases and give receipts for amounts so collected.
- (d) Terminate leases for the Property, negotiate lease terminations, and serve notices of termination; settle, compromise, or withdraw any eviction action; negotiate and make reasonable concessions to tenant or former tenants in the Property.
- (e) Security deposits shall be held by Agent in a trust account on behalf of Owner and financial responsibility of such security deposits is that of Agent. The disposition of the security deposits of all tenants, whether the deposit is held by Agent or the Owner, shall be the sole discretion of Agent. Any trust account Agent maintains under this agreement may be interest-bearing and Agent may retain any interest.
- (f) Institute and prosecute, at Owner's expense, actions to evict tenants in the Property, recover possession of the Property: Agent shall have authority on behalf of the Owner to terminate any lease or rental agreements covering the Property, to execute and sever such legal or other notices as Agent deems appropriate, to institute legal actions for the benefit of and the expense of, Owner for the purpose of evicting tenants in default and to recover possession of the Property, compromise and release claims by or against any tenant, and to employ attorneys for payment of rent. Owner agrees that Agent is not responsible for the collection of delinquent accounts. Agent assumes no liability for monies that are uncollectible or for any damages or costs related to the tenancy and the Property.
- (g) Hire contractors to repair, maintain, or alter the Property provided that Agent does not expend more than \$500 for any single repair, maintenance item, or alteration without Owner's consent, unless repair is deemed necessary by Agent.
- (h) Hire contractors to make emergency or necessary repairs to the Property, without regard to the expense limitation in paragraph 6(g) above, that Agent determines are necessary to protect the Property or the health or safety of the tenant.
- (i) Choice of vendors to use for all repairs will be the decision of the Agent. Unless Owner furnishes Agent a list of preferred vendors 7 days from the signing of this Agreement.
- (j) Perform other services deemed necessary by Agent, related to the leasing and management of the Property. Administrative Fees: If Agent collects administrative charges from tenants or prospective tenants, including but not limited to, application fees, posting fees, returned check fees, late charges, or other customary fees, Agent will retain such fees as compensation under this Agreement. Agent need not account to Owner for such fees and these administrative fees are earned and payable at the time Agent collects such fees.

Owner Initials: \_\_\_\_\_

Agent Initials: \_\_\_\_\_

- (k) Negotiate partial refunds with tenant if, in Agent's reasonable opinion, the tenant's use and enjoyment of the Property has been or will be materially and adversely affected as a result of a defect in the condition of the Property.
- (l) Conduct, at the end of the tenant's lease, a move-out inspection to determine the amount, if any, shall be deducted from tenant's security deposit and remitted to Owner to pay for repairs beyond what is normal wear and tear to the Property. Agent shall be the sole decision maker to determine what damage to the Property is beyond normal wear and tear and also decide how much of the tenant's security deposit shall be refunded to Owner within 30 days after the end of tenant's lease termination.
- (m) Contact, at Owner's expense, in Owner's name for all utilities and maintenance to the Property, and other regularly recurring expenses that Agent determines are reasonable to maintain and care for the Property.
- (n) Agent will maintain accurate records related to the Property and file Form 1099 with the Internal Revenue Service related to funds received on behalf of Owner.
- (o) Agent will remit, on or about the 10th day or each month, the following items to Owner: funds transferred electronically, collected by Agent for Owner under this agreement less deductions and charges, directly to Owner's bank account; and a statement of disbursements, delivered electronically.

**7. Responsibilities of Owner.** During the time this Agreement is in effect, Owner shall:

- (a) Not hold Agent responsible for personal property left by the Owner on the Property. Owner will remove all personal property from the Property.
- (b) Not enter into a listing agreement or property management agreement with another agent for the rental, leasing, or management of the Property to become effective during this Agreement.
- (c) Not list the property for sale except during the last 30 days of any lease agreement and with prior written notice to Agent.
- (d) Abide by all federal, state, and local fair housing laws.
- (e) Be responsible for all costs and expenses associated with the maintenance and operation of the Property in accordance with the requirements of tenant leases and any local, state, or federal law regulations, and advance to Agent such sums as may be necessary from time to time to pay such costs and expenses.
- (f) Promptly provide funds to Agent, upon Agent's request, for any cost or expenses for which Owner is responsible that Agent, in Agent's discretion, incurs on Owner's behalf, including but not limited to, emergency maintenance and repairs, utilities, and court costs; and further, pay interest at the rate of 15% on the amount of any outstanding balance thereof not paid to Agent within 30 days of Agent's written request therefore.
- (g) Not take any action or adopt any policy the effect of which would be to prevent Agent from offering the Property for rent in compliance with all applicable federal and state laws, regulations, and ethical duties, including but not limited to, those prohibiting discrimination on the basis of race, color, religion, sex, national origin, handicap, familial status, sexual orientation, or gender identity in the leasing of the Property.
- (h) Carry, at Owner's expense, public liability insurance against any and all claims or demands whatever arising out of, or in any way connected with, the operation, leasing, and maintenance of the Property, including property damage and personal injury, in the amount of not less than \$250,000.00, which policy shall, without cost to Agent, name Agent as an additional insured as its interest may appear, and provide at least

Owner Initials: \_\_\_\_\_ Agent Initials: \_\_\_\_\_

annually a copy of such insurance policy or policies to Agent up on Agent's request.

- (i) Indemnify and hold Agent harmless to the extent allowable by law from any and all costs, expenses, attorney's fees, suits, liabilities, damages, or claims for damages, including but not limited to, those arising out of any injury or death to any person or loss or damage to any property of any kind whatsoever and to whomsoever belonging, including Owner, in any way relating to the management of the Property by Agent or the performance or exercising of any duty, obligation, or authority set forth herein or hereafter granted to Agent, or arising out of the tenant's breach of any lease for the Property.
- (j) Be responsible for timely payment of all property taxes, mortgage payments, governmental or owners' association assessments associated with the Property, and any other expenses which could become a lien against the Property, and for promptly notifying Agent in the event the Owner receives any notice(s) from the holder of any loan or from any other lien holder of any kind, regarding a default in payment, threatened foreclosure or the filing of a foreclosure proceeding.
- (k) Not contact, deal with, or negotiate with any prospective or current tenant in the Property concerning any matter related to the management or leasing of the Property, but refer all such dealing to Agent.

**8. Management Services Not Included.** Normal property management does not include monthly inspections, representation at court hearings, depositions, homeowner meetings, providing on-site management, property sales, preparing Property for sale, supervising and coordinating modernization, rehabilitation, fire or major damage restoration projects, obtaining income tax, accounting or legal advice, advising on proposed new construction, debt collection, counseling, legal proceedings, or insurance related paperwork and estimates. If Agent performs services not included in normal property management or specified above, Owner shall pay Agent a fee of \$75 per hour.

**9. Tenant Occupied Inspection.** During the term of the tenant lease, Agent will conduct 1 (one) inspection of the Property at a date and time determined by the Agent. The inspection will be conducted by either Agent or a representative of Agent qualified to do such. The inspection will be an on-site visual examination of the Property for noticeable signs of damage that goes beyond normal wear and tear. Also, any signs of safety or health concerns will be noted. Pictures will be taken and a report will be generated and kept by Agent. Agent will not be responsible or held liable for any damages that result in further cost to Owner for repairs because those damages were not recognized during this inspection. Owner acknowledges that this is not a home inspection done by a licensed home inspector. If owner wishes Agent to do additional inspections to the Property, each additional inspection will be at a cost of \$175 to Owner.

**10. Service Animals.** Owner understands that state and federal law governs "service animals" and "emotional support animals," and that these animals are NOT legally considered pets, and therefore pet policies do not apply. Agent shall have full authority to review, approve, negotiate, or decline, any and all service animal or emotional support animal requests.

**11. Pets.** Tenant may be allowed, at the discretion of the Owner, to bring pets onto the Property in accordance with Agent's company policy and made apart of any rental agreement. Owner acknowledges and understands that whether or not pets are allowed, a person with disabilities has the legal right to be accompanied by a service/assistance animal in the Property, that no pet fee may charged to such person, and that such person would be liable for a any damage done by the service/assistance animal to the Property.

Owner Initials: \_\_\_\_\_

Agent Initials: \_\_\_\_\_

**12. Entry by Owner.** Owner agrees that neither Owner nor any third party acting at Owner's direction, shall enter the Property for any purpose whatsoever during any time that it is occupied by a tenant in the absence of reasonable notice (3 business days) to Agent or tenant and scheduling by Agent or tenant of an appropriate time for any such entry.

**13. Lead-Based Paint/Hazard Disclosure.** If the property was built prior to 1978, Owner understands that Owner is required under 42 U.S.C. 4852(d) to disclose information about lead-based paint and lead-based paint hazards, and that Agent is required to ensure Owner's compliance with said law. Owner agrees to complete and sign a "Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards" form, photocopies of which will be provided by Agent to prospective tenants. In the alternative, Owner authorizes Agent, in Agent's discretion, to fulfill Owner's disclosure obligations by completing and signing said form on Owner's behalf based on information provided by Owner to Agent.

**14. Tenant Information.** Owner acknowledges and understands: (i) that state and federal laws regulate the maintenance and disposal of certain personal information of consumers, such as social security numbers, drivers' license numbers, account numbers, and other numbers that may be used to access a person's financial resources, and (ii) that contractual limitations with third-party providers of credit reports or other background information relating to prospective tenants may limit or prohibit Agent's dissemination of such reports/information. Owner agrees that Agent shall not be required to disclose any such information to Owner about a tenant or prospective tenant, and that if Agent does disclose any such information to Owner, Owner will indemnify and hold Agent harmless from any and all costs, expenses, attorney's fees, suits, liabilities, damages or claims for damages as set forth in paragraph 23 of this Agreement as a result of the disclosure of any such information to or by Owner.

**15. Duties on Termination.** Upon termination of this Agreement by either party, each shall take such steps as necessary to settle all accounts between them, including, but not limited to, the following:

- (a) Agent shall promptly render to Owner all rents then on hand after having deducted therefrom any Agent's fee then due and amounts sufficient to cover all other outstanding expenditures of Agent incurred in connection with operating the Property;
- (b) Agent shall transfer any security deposits held by Agent to Owner or such other person or entity as Owner may designate in writing; provided, Owner understands and acknowledges that the Tenant Security Deposit Act requires Owner to either deposit any such deposits in a trust account with a licensed and insured bank or savings institution located in North Carolina, or furnish a bond from an insurance company licensed to do business in North Carolina; and provided further, Owner shall be responsible for any out-of-pocket transfer costs incurred by Agent;
- (c) Owner shall promptly pay to Agent any fees or amounts due the Agent under the Agreement or any current rental agreement and shall reimburse Agent for any expenditures made and outstanding at the time of termination;
- (d) Owner shall notify all current tenants of the termination of this Agreement and transfer of any advance rents and security deposits to Owner.

Owner Initials: \_\_\_\_\_

Agent Initials: \_\_\_\_\_

**16. Sale of Property.** In the event Owner desires to sell the Property through Owner's own efforts, Owner shall (a) promptly notify Agent that the Property is for sale and, if applicable; (b) promptly notify Agent if the Property goes under contract and disclose to Agent the agreed-upon closing date. Owner is prohibited, during the duration of this Agreement, to list the property for sale with any broker or firm other than with Agent. It will be the sole discretion of Agent, to list the property for sale or refuse to list the Property.

**17. Entire Agreement.** This Agreement contains the entire agreement of the parties and supersedes all prior written and oral proposals, understandings, agreements, and representations, all of which are merged herein.

**18. Non-Waiver or Default.** The failure of either party to insist, in any one or more instances, on the performance of any term or condition of this Agreement shall not be construed as a waiver or relinquishment of any rights granted hereunder or for the future performance of any such term or condition, and the obligations of the non-performing party with respect thereto shall continue in full force and effect.

**19. Governing Law; Venue.** The parties agree that this Agreement shall be governed by and construed in accordance with the laws of the State of North Carolina, and that in the event of a dispute, any legal action may only be instituted in Mecklenburg County, North Carolina.

**20. Relationship to Parties.** Although Owner and Agent agree that they will actively and materially participate with each other on a regular basis in fulfilling their respective obligations hereunder, the parties intend for their relationship to be that of independent contractor, and nothing contained in this Agreement shall be construed to create a partnership or joint venture of any kind.

**21. Exclusivity.** Owner agrees that Agent shall be the exclusive rental agent of the Property, and that no other party, including Owner, shall offer the Property for rent during the time this Agreement is in effect. Any rent nevertheless received by Owner or any third party will be transferred to Agent and thereafter accounted for as if originally received by Agent, including the deduction therefrom of any fee due Agent hereunder.

**22. Default.** If either party defaults in the performance of any of its obligations hereunder, in addition to any other remedies provided herein or by applicable law, the non-defaulting party shall have the right to terminate this Agreement if, within thirty days after providing the defaulting party with written notice of the default and the intent to terminate, the default remains uncured. Notwithstanding the foregoing, Agent shall have the right to terminate this Agreement immediately on written notice in the event Owner seeks bankruptcy protection, or the Property becomes subject to a foreclosure proceeding, or Owner fails to promptly pay for any costs associated with the Owner's obligations under NC General Statutes Section 42-42 or to advance to Agent such sums as may be necessary to pay such costs.

**23. Cost in Event of Default.** If legal proceedings are brought by a party to enforce the terms, conditions, or provisions of this Agreement, the prevailing party shall be entitled to recover all expenses (including, but not limited to, reasonable attorney fees not to exceed \$1000, legal expenses, and reasonable costs of collections) paid or incurred by such prevailing party in endeavoring to enforce the terms, conditions, or provisions of this Agreement and/or collect any amount owing in accordance with this Agreement.

**24. Binding Nature of Agreement.** This Agreement shall be binding upon all inure to the benefit of the heirs, legal and personal representatives, successors, and permitted assigns of the parties.

Owner Initials: \_\_\_\_\_

Agent Initials: \_\_\_\_\_

**25. Authority to Enter into Agreement.** Owner represents and warrants to Agent that Owner has full authority to enter into this Agreement, and that there is no other party with interest in the Property whose join-der in this Agreement is necessary. Either Scott McClure or Jonathan Pacilio shall serve as Owner's principal contact for the purposes of making all decisions all receiving all notices and rental payments contemplated by this Agreement, and all persons signing this Agreement as Owner hereby appoints either of said persons as Owner's agent and attorney-in-fact for the purposes set forth in this section.

**26. Use of Electronic Means; Notice.** The parties agree that electronic means may be used to sign this Agreement or to make any modifications to parties may agree to, and that any written notice, communication, documents may be transmitted to any mailing address, e-mail address, or fax number set forth by the parties.

**27. Assignments by Agent; Change of Ownership.** Owner agrees that at any time during the term of this Agreement, Agent may either assign Agent's rights and responsibilities hereunder to another real estate agency, or transfer to another person or entity all or part of the ownership of Agent's real estate agency, and that in the event of any such assignment or transfer, this Agreement shall continue in full force and effect; provided, that any assignee or transferee must be licensed to engage in the business of real estate brokerage in the State of North Carolina. In the event of any such assignment or transfer, Owner may, in addition to all other termination rights hereunder, terminate this agreement without cause on sixty (60) days' prior written notice to the assignee or transferee of Owner's intent to terminate this Agreement.

**28. Other Professional Services.** Owner acknowledges that Agent is being retained solely as a real es-tate professional, and understands that other professional service providers are available to render advice or services to Owner at Owner's expense, including, but not limited to, an attorney, insurance agent, tax advisor, engineer, home inspector, environmental consultant, architect, or contractor. If Agent procures any such ser-vices at the request of Owner, Owner agrees that Agent shall incur no liability or responsibility in connection therewith.

**29. Changes.** At the expiration of the initial and any subsequent term of the Agreement, all terms and conditions are subject to change by Agent, with a 30 day notice to Owner.

**30. Legal Disclaimer.** This Agreement has not been approved by the North Carolinas Real Estate Com-mission. It was prepared by PMP Carolinas, Inc. Broker cannot give legal advise. READ THIS AGREE-MENT CAREFULLY. If you do not understand the effect of this agreement, consult an attorney BEFORE signing.

Owner Initials: \_\_\_\_\_ Agent Initials: \_\_\_\_\_

**OWNER:**

\_\_\_\_\_  
Date: \_\_\_\_\_

\_\_\_\_\_  
Date: \_\_\_\_\_

\_\_\_\_\_  
Date: \_\_\_\_\_

\_\_\_\_\_  
Date: \_\_\_\_\_

**AGENT:**

PMP Carolinas, Inc.

By: Scott McClure                      Individual license #: 219382                      Date: \_\_\_\_\_

\_\_\_\_\_