



# Property Management Agreement

## APARTMENT – CONDOMINIUM – HOUSE

This Agreement is made effective as of \_\_\_\_\_, by and between \_\_\_\_\_ of \_\_\_\_\_, South Carolina \_\_\_\_\_, (Hereinafter called "Owner") and 1 Source Property Management of 1307 Dunmore Ct, Clover, South Carolina 29710 (Hereinafter called "Manager").

The Manager is experienced in the operation and management of real estate and has the required state licenses needed to manage real estate properties, and is willing to undertake the management and operation of the real estate properties of the Owner under the terms set out in this agreement:

**1. DESCRIPTION OF THE PROPERTY.** This Agreement is made with respect to the following property:

Property Address \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**2. RESPONSIBILITIES OF THE PROPERTY OWNER.** The Owner has contracted and agreed to the Manager serving, as an independent contractor, as the Owner's exclusive agent. Beginning on \_\_\_\_\_, Owner acknowledges understanding and agrees to be obligated by signing the agreement:

- a. Set Up and Maintain a Reserve Fund—The Owner is responsible for, as outlined in the Service Commitment, putting a specific amount of money into a reserve fund that the Manager can use for daily obligations, maintenance issues, and emergencies. Owner is also responsible for making sure that the fund never falls below a specific amount, as outlined in the Service Commitment Agreement.
- b. Obtain and Maintain the Proper Insurance—The Owner agrees to maintain a Public Liability Insurance Policy must add the Manager to be included under Owner's coverage.
- c. Finding Tenants—Owner is not permitted to place a tenant in the property themselves. This is meant to protect the Manager from having to manage a tenant that has not been selected according to our guidelines.
- d. Entry—Owner may not enter the property unless they notify the tenant beforehand or get approval from the Manager.

- 3. RESPONSIBILITIES OF THE MANAGER.** The Manager will serve, as an independent contractor, as the Owner's exclusive agent. Beginning on \_\_\_\_\_, Manager will provide to Owner the following services (collectively, the Services):
- a. **Collection and Disbursement:** Manager agrees to collect all rents as they become due; to render to Owner a monthly accounting of rents received and expenses paid; and to remit to Owner all income, less any sums paid out. Manager agrees to collect the rents from the tenant and to disburse funds by EFT or as instructed by the Owner (additional fee may apply if disbursement other than EFT), provided, however, that the rent has been received from the tenant;
  - b. **Advertisement and Legal Proceedings:** Manager agrees to advertise for tenants, screen tenants and select tenants of suitable credit worthiness. Manager will set rents that, in the opinion of the Manager at the time of the rent negotiations with the tenant, reflect the market conditions of that time and approximate rents of comparable rental properties, unless expressly instructed in writing by the Owner to the Manager to the contrary, as to the amount of the initial rent and any subsequent increases as may from time to time be appropriate. Manager agrees to rent and to lease the property; to sign, renew and to cancel rental agreements and leases for the property or any part thereof; to sue and recover for rent and for loss or damage to any part of the property and/or furnishings thereof; and, when expedient, to compromise, settle and release any such legal lawsuits or proceedings.
  - c. **Maintenance and Labor:** Manager agrees to maintain, and to repair the property or to hire/contract with outside vendors when needed, as outlined in the Service Commitment Agreement.
- 4. AUTHORIZATION.** The Owner hereby grants full power and authority to the Manager to do and perform each and every act which is reasonably required, proper, or necessary to be done in the exercise of any and all of the powers, responsibilities, and obligations granted to the Manager under this contract, as fully to all intents and purposes as the Owner could do if personally present.
- 5. EQUAL OPPORTUNITY HOUSING.** The Owner is committed to compliance, and the Manager is hereby required to comply, with Title VIII of the Civil Rights Act of 1968 ("Fair Housing Act"), which prohibits discrimination in the sale, rental, and financing of dwellings based on race, color, religion, sex, national origin, disability, or familial status. The Manager shall comply with all applicable federal and state anti-discrimination laws and regulations now in effect or that take effect during the course of this contract.
- 6. PAYMENT.** The Manager is entitled to withhold a standard amount from each monthly rental payment, as outlined in the Service Commitment Agreement, for payment of Manager's services under this contract. For any services rendered other than those set out in this agreement, the Manager may be compensated at such a rate and on such terms as may be agreed between the Manager and the Owner. The payment indicated above does not account for payment for materials, labor or other costs which may be incurred in order to maintain or advertise the property. In addition to the standard amount, as outlined in the Service Commitment Agreement, the Manager is entitled to withhold, the Manager may also withhold any sums necessary to cover fees and costs the Manager has incurred in regards to the property. The Manager will notify the Owner of any tenant who is over 30 days behind in paying their rent. In the event the rental payments in any month do not cover the total fees and costs owed to the Manager, the Owner will remit payment of the remaining balance within 15 days of notification by the Manager. The Manager is required to provide the Owner with an itemized monthly statement reflecting all rents received, owed, and all disbursements made from the rental payments.
- 7. RELATIONSHIP OF PARTIES.** It is understood by the parties that Manager is an independent contractor with respect to the Owner, and not an employee of the Owner. Owner will not provide fringe benefits, including health insurance benefits, paid vacation, or any other employee benefit, for the benefit of the Manager.
- 8. WARRANTY.** Manager shall provide its services and meet its obligations under this Agreement in a timely and workmanlike manner, using knowledge and recommendations for performing the services which meet generally acceptable standards in Manager's community and region, and will provide a standard of care equal to, or superior to, care used by service providers similar to Manager on similar projects. No other warranty is provided by Manager, or any representative of Manager. If any warranty is provided by any vendor or other 3<sup>rd</sup> party, the vendor, or other 3<sup>rd</sup> party alone is responsible for warranty.

- 9. TERM.** This Agreement will terminate automatically on \_\_\_\_\_. However, this Agreement may be terminated at any time by either party with or without cause provided at least 30 days' prior written notice is delivered by the terminating party to the other party subject to the following:
- a.** Any service(s) provided within the prior 12 months of this Agreement's termination, that would have required compensation at the basic (Essential) level, will be due within 30 days of written notice for termination. An itemized statement reflecting any service(s) with a remaining balance shall be provided to the Owner.
    - I.** Services shall be prorated based on the number of months compensation was received according to the Service Commitment Agreement.
- 10. INDEMNIFICATION.** Owner agrees to and shall indemnify and hold Manager harmless from any and all claims to included but not limited to; losses, injuries to person or property, expenses, fees including attorney fees, costs, and judgments that may be asserted against Owner or Manager that result from the acts or omissions of Owner or Manager and/or Owner's or Manager's employees, agents, or representatives. In the absence of the gross misconduct or neglect by Owner will in no way hold Manager responsible for damages to the property by way of theft, destruction or otherwise. The Manager is not and shall never be liable to any creditor of the Owner or to any claimant against the property. Nothing contained in this or any other agreement shall constitute or be construed to be or create a partnership or joint venture between Owner and Manager.
- 11. INSURANCE.** Manager shall maintain General Commercial Liability Insurance and Errors and Omissions (E&O) Insurance and provide proof thereof to Owner upon request. Furthermore, Owner agrees to add Manager as an additional insured on Owner's Public Liability Insurance Policy and shall provide proof thereof to Manager upon request.
- 12. REMEDIES.** In addition to any and all other rights a party may have available according to law, if a party defaults by failing to substantially perform any provision, term or condition of this Agreement (including without limitation the failure to make a monetary payment when due), the other party may terminate the Agreement by providing written notice to the defaulting party. This notice shall describe with sufficient detail the nature of the default. The party receiving such notice shall have 14 days from the effective date of such notice to cure the default(s).
- 13. FORCE MAJEURE.** If performance of this Agreement or any obligation under this Agreement is prevented, restricted, or interfered with by causes beyond either party's reasonable control ("Force Majeure"), and if the party unable to carry out its obligations gives the other party prompt written notice of such event, then the obligations of the party invoking this provision shall be suspended to the extent necessary by such event. The term Force Majeure shall include, without limitation, acts of God, fire, explosion, vandalism, storm or other similar occurrence, orders or acts of military or civil authority, or by national emergencies, insurrections, riots, or wars, or strikes, lock-outs, work stoppages, or other labor disputes, or supplier failures. The excused party shall use reasonable efforts under the circumstances to avoid or remove such causes of non-performance and shall proceed to perform with reasonable dispatch whenever such causes are removed or ceased. An act or omission shall be deemed within the reasonable control of a party if committed, omitted, or caused by such party, or its employees, officers, agents, or affiliates.
- 14. ARBITRATION.** Any controversies or disputes arising out of or relating to this Agreement shall be resolved by binding arbitration in accordance with the then-current Commercial Arbitration Rules of the American Arbitration Association. The parties shall select a mutually acceptable arbitrator knowledgeable about issues relating to the subject matter of this Agreement. In the event the parties are unable to agree to such a selection, each party will select an arbitrator and the two arbitrators in turn shall select a third arbitrator, all three of whom shall preside jointly over the matter. The arbitration shall take place at a location that is reasonably centrally located between the parties, and within South Carolina, or otherwise mutually agreed upon by the parties. All documents, materials, and information in the possession of each party that are in any way relevant to the dispute shall be made available to the other party for review and copying no later than 30 days after the notice of arbitration is served. The arbitrator(s) shall not have the authority to modify any provision of this Contract or to award punitive damages. The arbitrator(s) shall have the power to issue mandatory orders and restraint orders in connection with the arbitration. The decision rendered by the arbitrator(s) shall be final and binding on the parties, and judgment may be entered in conformity with the decision in any court having jurisdiction. The agreement to arbitration shall be specifically enforceable under the prevailing arbitration law. During the continuance of any arbitration proceeding, the parties shall continue to perform their respective obligations under this Contract. Both parties will be responsible for one half the cost of arbitration.

- 15. CONFIDENTIALITY.** Manager, and its employees, agents, or representatives will not at any time or in any manner, either directly or indirectly, use for the personal benefit of Manager, or divulge, disclose, or communicate in any manner, any information that is proprietary to Owner. Manager and its employees, agents, and representatives will protect such information and treat it as strictly confidential. This provision will continue to be effective after the termination of this Agreement.
  
- 16. RETURN OF PROPERTY.** Upon termination of this Agreement, Manager will return to Owner all records, notes, documentation and other items that were used, created, or controlled by Manager during the term of this Agreement.
  
- 17. NOTICE.** Any notice or communication required or permitted under this Agreement shall be sufficiently given if delivered in person or by certified mail, return receipt requested, to the address set forth in the opening paragraph or to such other address as one party may have furnished to the other in writing.
  
- 18. ENTIRE AGREEMENT.** This Agreement and the attached Service Commitment Agreement, contains the entire agreement of the parties, and there are no other promises or conditions in any other agreement whether oral or written concerning the subject matter of this Agreement. This Agreement supersedes any prior written or oral agreements between the parties.
  
- 19. AMENDMENT.** This Agreement may be modified or amended in writing, if the writing is signed by the party obligated under the amendment.
  
- 20. SEVERABILITY.** If any provision of this Agreement will be held to be invalid or unenforceable for any reason, the remaining provisions will continue to be valid and enforceable. If a court finds that any provision of this Agreement is invalid or unenforceable, but that by limiting such provision it would become valid and enforceable, then such provision will be deemed to be written, construed, and enforced as so limited.
  
- 21. WAIVER OF CONTRACTUAL RIGHT.** The failure of either party to enforce any provision of this Agreement shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Agreement.
  
- 22. ASSIGNMENT.** Neither party may assign or transfer this Agreement, or its rights or obligations thereunder, without the prior written consent of the non-assigning party, which approval shall not be unreasonably withheld.
  
- 23. GOVERNING LAW.** This Agreement shall be construed in accordance with the laws of the State of South Carolina.

**SIGNATORIES.** This Agreement shall be signed on behalf of the Owner by \_\_\_\_\_ and on behalf of the Manager by \_\_\_\_\_ and shall be effective as of the date first written above.

Owner Printed Name: \_\_\_\_\_

Manager Printed Name: \_\_\_\_\_

Owner Signature: \_\_\_\_\_

Manager Signature: \_\_\_\_\_

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

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