

Del Val Realty & Property Management

Property Management Agreement Checklist

- Please read the agreement carefully and ask questions, if needed
- Initial the bottom of each page and sign the bottom of page 5
- Review section 13 (page 5) and let us know your desired rent amount, pet policy, yard maintenance and condo fees, if applicable
- Review **Schedule A** (page 6) and add social security (or EIN number) and your future mailing address
- Complete **Schedule B** (page 7) (Direct Deposit Form)
- Include a check for \$125 made out to **Del Val Realty & Property Management**
- Copies of the following documents, if available
 - Rental and Business licenses;
 - Existing leases and addendums;
 - Tenant ledger with 12 months' payment history and any outstanding amounts owed; and
 - 3 sets of keys.
- Fax or mail to us
 - Fax: 610-500-5682
 - Mail: **Del Val Realty & Property Management**
81 Lancaster Avenue
Suite 218
Malvern, PA 19355
- For more information and a copy of our *Del Val Owner Manual* please go to our website at <http://www.delvalproperty.com/>



EXCLUSIVE LISTING TO RENT AND MANAGE REAL PROPERTY

This is intended to be a Legally Binding Agreement. **READ IT CAREFULLY.**

THIS AGREEMENT TO RENT / MANAGE PROPERTY ("**Agreement**") is made by and between **OWNER** and **AGENT**.

1. **Appointment of AGENT.** OWNER hereby contracts with and appoints AGENT the **sole and exclusive** managing AGENT to rent, manage, and operate each Property indicated in Schedule A, upon the conditions, terms and compensation as set forth herein. This Agreement shall commence on the Commencement Date indicated on Schedule A. It is understood and agreed that the AGENT is the sole procuring cause of any lease that may be negotiated during this Agreement, even if said lease may have been negotiated either directly or indirectly by the OWNER.
2. **Acceptance of Appointment.** AGENT hereby accepts appointment as set forth in Paragraph 1 and agrees to use their **best efforts** to perform all services for the renting, care, protection, maintenance and operation of the Property, including the following:
 - a) **ADVERTISING:** Placement of print and electronic advertisements promoting the availability for rental.
 - b) **LEASES:** AGENT shall use his **best efforts** to keep the Property rented by procuring tenants for the Property and negotiating and executing on behalf of OWNER all leases for the Property. OWNER shall have the right to approve any prospective tenant and the terms of any lease, which approval shall not be unreasonably withheld.
 - c) **TENANT DEPOSITS:** Establish, collect, hold and disburse tenant security deposit(s) on behalf of the OWNER in accordance with the **Landlord-Tenant Act** of the **Commonwealth of Pennsylvania** and any applicable local laws, regulations or ordinances.
 - d) **RENT COLLECTIONS:** Collect and monitor rental payments by tenants, provided that nothing herein shall constitute a guaranty by AGENT for the payment of rent by Tenants. AGENT shall promptly advise OWNER of any delinquency in the payment of rent or of any other default by Tenant under the terms of the lease and consult with OWNER regarding the appropriate action to be taken.
 - e) **MONTHLY REPORTS:** Provide consolidated monthly reports listing of all income, expenses and cash flow to the OWNER, together with necessary documentation for tax purposes. Copies of all bills will be provided via our property management software.
 - f) **REVIEWS:** Visit the Property on the Property Inspection Review Schedule as indicated in Schedule A in order to determine that the Property is in good order. Written Property Inspection Review reports shall be completed and provided to OWNER for each visit.
 - g) **MAINTENANCE:** AGENT shall have the authority to contract for and supervise **ALL** repairs, alterations or decorations in the Property; provided that when such repairs, alterations or decorations cost more than the Authorized Repair Limit specified in Schedule A, the AGENT shall consult with the OWNER in advance, except in the case of emergencies or where required by law, and obtain the prior approval of OWNER for such repairs, alterations or decorations. AGENT may utilize its own personnel or affiliated firms for the making of all such repairs. These repairs when done by its own personnel or affiliated firm(s), will be charged at competitive rates, and AGENT may realize a profit from such maintenance work.
 - h) **LAWS & REGULATIONS:** Comply with the spirit and the letter of all laws, regulations and public programs regarding equal housing.
 - i) **AGENT's ROLE:** AGENT is acting as OWNER's Agent, as described in the Consumer Notice. AGENT's rental agents, salespeople, employees, owners are acting as Agents only and will not be legally responsible for damages or repairs to the Property, fines or penalties related to the property, or for a tenant's failure to meet the terms of a lease.

Owner's Initials: _____

Agent's Initials: _____



3. OWNER's Responsibilities.

- a) **FUNDS ON ACCOUNT:** OWNER will maintain Funds on Account in the AGENT's account as indicated in Schedule A. AGENT has authority to withdraw such funds to pay AGENT's fee, repairs, utility costs and other proper charges against the fund. The OWNER will deposit sums as necessary to maintain the Funds on Account as agreed within 10 days of being requested to do so by AGENT. If OWNER does not deposit funds requested within 10 days, AGENT shall charge OWNER a fee equal to 5% of the outstanding balance each month such funds are negative. **Excess funds will be electronically transferred to OWNER on the 10th and 20th of each month unless other arrangements are made.**
- b) **EXISTING TENANTS:** For existing tenants, OWNER will provide AGENT with a copy of any lease, a set of keys to the Property, and will notify the tenant that AGENT is authorized to act on behalf of the OWNER.
- c) **INSURANCE:** OWNER assumes all responsibility for obtaining and maintaining all Property and casualty insurance. **OWNER agrees to maintain a Landlord Insurance Policy on the Property, including public liability insurance of at least \$500,000 and will name AGENT as an additional insured.**
- d) **HOLD HARMLESS:** OWNER and AGENT agree to hold harmless each other, indemnify and defend AGENT or OWNER from all **suits, damages, claims of any nature or any kind arising in connection with AGENT's management of the Property or OWNER's ownership and from any liability for injuries suffered by any person while in the Property or on the premises upon which the Property is located.**
- e) **RENTAL LICENSES:** OWNER is required to provide AGENT with copy of current and future rental and business licenses, if required by your local township or city.
- f) **ATTORNEYS:** AGENT shall have the authority to hire attorneys and collection agencies at OWNER's expense to protect the interest of the OWNER.

4. Compensation. AGENT shall be compensated upon the following basis:

- a) **LEASING:** OWNER shall pay AGENT a **Leasing Fee** as indicated on Schedule A for each new lease procured by Agent. The Leasing Fee is to be paid upon receipt of funds from the Tenant. If the OWNER provides a Tenant to AGENT for qualification and subsequent lease, the Leasing Fee paid by the OWNER will be fifty percent (50%) of the **Leasing Fee**. There is no Leasing Fee if an existing Tenant is in place when AGENT assumes management responsibilities.

12 Month Lease Guarantee – Del Val will guarantee that if any tenant we place in your property leaves during the first 12 months, AGENT will market and find a new tenant at no charge!

- b) **LEASE RENEWAL:** OWNER shall pay AGENT a **Lease Renewal Fee** as indicated on Schedule A only for each negotiation and renewal of an existing lease.
- c) **MANAGEMENT:** OWNER shall pay AGENT a **Monthly Management Fee** as indicated in Schedule A, which amount shall be payable upon collection of rent. In addition, **HALF** of all late fees and **ALL** returned check charges, NTQ charges and other administrative charges payable by Tenant. First funds collected from tenant each month shall be applied towards all late fees, returned check charges, NTQ charges and other administrative charges and lastly to rent. If tenants do not pay these fees, AGENT may deduct these fees from Tenant's security deposit and/or last month's rent.

Loyalty Program – *The Monthly Management Fee will be reduced by 1/2% after each 12-month period OWNER retains AGENT, subject to the \$100 minimum. For example, the fee will be reduced by 1/2 % during months 13 through 24 and 1% during months 25 through 36 and so forth until a minimum Monthly Management fee of 5.0%.*

- d) **SALE TO EXISTING TENANT:** If the Tenant buys the Property, AGENT shall receive an **Existing Tenant Sales Fee** equal to two percent (2%) of the gross sale price or \$3,000, whichever is greater.

Owner's Initials: _____

Agent's Initials: _____



- e) **SALE OF PROPERTY:** AGENT is available to sell the Property for OWNER; however, OWNER may list the Property for sale “by owner” or with another broker. OWNER agrees to refrain from listing, advertising, or marketing the Property for sale during the term of this Agreement without notifying AGENT in writing at least 30 days in advance.
- f) **REVIEW:** AGENT shall visit the Property periodically in order to determine that the Property is in good order. The frequency of said Reviews shall be in accordance with the **Property Inspection Review Schedule** indicated in Schedule A. A written Maintenance Review report shall be completed and provided to OWNER for each visit. Two maintenance Reviews shall be provided each year at no cost.
- g) **MAINTENANCE FEE:** In the event that the OWNER requires any maintenance, construction or remodeling of the Property and AGENT is responsible for supervising bidding, completion and/or inspection of such work, then AGENT's compensation shall be an amount equal to the **Maintenance Fee** indicated in Schedule A, provided however, that the OWNER may elect, at his sole discretion, to complete the maintenance, construction or remodeling through other channels and without the involvement of the AGENT. There will be a twenty percent (20%) service charge for maintenance work that is conducted by a third party vendor, such charge does not apply to any maintenance work that is conducted by AGENT personnel or its affiliated firm(s).
- h) **CODE:** In the event that OWNER requires AGENT to negotiate with any government authority regarding Property taxes, Code violations, or other legal matters, OWNER shall pay AGENT at an hourly rate of \$50.00 per hour.
- i) **NEW ACCOUNT SETUP FEE:** OWNER shall pay a one-time \$125 new account set up fee upon becoming a new client of AGENT.
- j) **MISCELLANEOUS:** OWNER shall pay \$5.00 per month per unit to cover administrative cost including charges for wire transfers to owner and from the tenant(s), fax charges, photocopy and other minor administrative costs.
- k) **AGENT NOT REQUIRED TO ADVANCE FUNDS:** AGENT shall have no obligation to advance funds to the OWNER for any purpose whatsoever. Any funds advanced to the OWNER by AGENT shall be repaid to AGENT immediately from the OWNER's funds. Any sums due AGENT under any provision of this Agreement, and not paid within 10 days after such sums have become due, shall bear interest at the rate of 5.0% per month.

5. Term of Agreement. This Agreement continues in effect until the AGENT terminates the Agreement upon thirty (30) days written notice to the OWNER or the OWNER terminates the Agreement by thirty (30) days written notice to the AGENT. The parties understand and agree that the AGENT may withhold funds for thirty 30 days after the end of the month in which the Agreement is terminated to pay bills previously incurred but not yet invoiced and to close accounts, and to provide accounting of the bills and accounts to the OWNER. Any outstanding balances shall remain the liability of the OWNER(s) and OWNER(s) duty to pay any such expenses shall survive termination of this Agreement.

Better Than 100% Guarantee -- Notwithstanding the above, if the OWNER terminates within the first ninety (90) days for any reason all Monthly Management Fees earned will be returned to OWNER plus an additional \$200.

This Agreement may be terminated by AGENT upon 48 hours notice to OWNER if, in AGENT’s sole judgment, OWNER fails to keep the Property in a habitable condition as required under any law or governmental rule, or in AGENT’s sole opinion, or OWNER attempts to unlawfully discriminate or the Property condition or use violates applicable law.

6. Dispute Resolution and Attorney's Fees. If a dispute arises out of this Agreement, both parties will meet to resolve it and if agreement is not reached at this meeting, a party may employ the American Arbitration Association or any other arbitration panel mutually agreed upon by the parties, to arbitrate the dispute. The results of this arbitration are binding upon both parties and the arbitrator is authorized to file the decision in the applicable court of jurisdiction. The arbitrator is to award reasonable attorney's fees and costs to the prevailing party.

Owner’s Initials: _____

Agent’s Initials: _____



- 7. **Dual Agency.** OWNER agrees that AGENT may also represent the tenant/buyer(s) of the Property. AGENT is a DUAL AGENT when representing both OWNER and the tenant/buyer in the lease or sale of a Property.
- 8. **Financial Institution Deposit.** Funds under AGENT's control which are requested by OWNER to be sent directly to a financial institution must provide their bank routing and account number.
- 9. **Notice.** Any and all notices should be sent to the OWNER at the OWNER's Notice Address indicated on Schedule A and to the AGENT at the AGENT's Notice Address indicated on Schedule A. Either party may notify the other in writing of any changes in this notice address.
- 10. **Authorized.** OWNER warrants that OWNER is the sole OWNER of the Property, or has authority to execute this Agreement on behalf of any co-OWNER and that the Property is not subject to legal proceedings for foreclosure. Any individual OWNER shall have the authority to hereafter take action and enter into further agreements with AGENT on behalf of all other CO-OWNER's.
- 11. **Entire Agreement.** This Agreement, together with any written and signed addenda or exhibits attached hereto, constitutes the entire Agreement between the parties. Any changes or modifications must be in writing and signed by the parties. This Agreement shall be binding upon the parties, their heirs, administrators, executors, and successors and assigns. Any provision of this Agreement found to be invalid or in violation of any statute, rule, regulation or common law shall be considered null and void, with the remaining provisions remaining valid and in effect.
- 12. **Addendum's Attached:**
 - a) Schedule A - The Parties/OWNER Funds/Compensation
 - b) Schedule B - Direct Deposit Agreement Form
 - d) Schedule C - Eviction Protection Program (EPP)

13. Additional Terms. The following additional terms are included:

- a) Approximate Monthly Rent ⁽¹⁾
 Rent: \$ _____
 Security: \$ _____
 Last Month Rent Required: YES / NO _____
- b) Pets: YES / NO If Yes, Additional Deposit Require \$ _____ (Del Val recommends \$300 / pet)
- c) Yard Maintenance: Tenant Responsibility: _____ Hire Professional: _____
- d) Condo Move-In and/or Move-Out Fee (**Please note if nothing is indicated we will assume Owner Pays all Fees**)
 - 1) Move-In Fee Amount \$ _____ Who Pays this Fee (mark with X) ___ Owner ___ Tenant
 - 2) Move-Out Fee Amount \$ _____ Who Pays this Fee (mark with X) ___ Owner ___ Tenant

IN WITNESS WHEREOF, the parties hereto hereby execute this Agreement on the date first above written.

By: _____ OWNER

By: _____ OWNER

By: _____ AGENT

(1) Subject to change depending on market conditions

Owner's Initials: _____

Agent's Initials: _____



Schedule A – The Parties/OWNER Funds/Compensation

This Schedule A forms part of the **Agreement** entered into between **OWNER** and **AGENT**.

1. Parties

a) **AGENT:**

Del Val Realty & Property Management
81 Lancaster Avenue, Suite 218
Malvern, Pa 19355

Office: 484-328-3282
Fax: 610-500-5682

b) **OWNER:**

OWNER's Name:

OWNER's Notice (mailing) Address:

Phone:

Fax:

Email:

Social Security # to be used for 1099 reporting to IRS:

Rental Address(es):

2. OWNER Funds

- a) **Authorized Repair Limit:** \$300 (Para. 2g)
- b) **Minimum Funds on Account:** \$400 (Para. 3a)

3. AGENT Compensation

- a) **Leasing Fee:** One month's rent or \$750, whichever is greater, for each 12-month lease and 25% of one month's rent for each additional year or portion thereof (Para. 4a)
- b) **Lease Renewal Fee:** \$200 (only paid if we participate in a new lease – not applicable if lease automatically rolls over to a month to month situation) (Para. 4b)
- c) **Monthly Management Fee:** Six Percent (6%) of all monthly rents collected or \$90, whichever is greater (Para. 4c)
- d) **Property Inspection Review Schedule:** Every 26 weeks (Para. 2f, 4f)
- e) **Maintenance Fee:** Twenty Percent (20 %) of the gross value of work completed. (Para. 4g)
- f) **New Account Set Up Fee:** \$125 one-time fee for new clients
- g) **Miscellaneous Fee:** \$5.00/Month (Para. 4j)

4. Commencement Date: On or about

Owner's Initials: _____

Agent's Initials: _____



Schedule B - Direct Deposit Agreement Form



I hereby authorize Del Val Realty & Property Management to initiate automatic deposits to my account at the financial institution named below.

Further, I agree not to hold Del Val responsible for any delay or loss of funds due to incorrect or incomplete information supplied by me or by my financial institution or due to an error on the part of my financial institution in depositing funds to my account.

This agreement will remain in effect until Del Val receives a written notice of cancellation from me or my financial institution, or until I submit a new direct deposit form.



Name of Financial Institution: _____

Routing Number: _____

Account Number: _____

Checking

Savings



Authorized Signature (Primary): _____ Date: _____

Authorized Signature (Joint): _____ Date: _____

Election to Continue to Receive Physical Checks

I hereby request to continue receiving my funds by Check sent via United States Postal Service.

Owner's Initials: _____

Agent's Initials: _____



Schedule C – Eviction Protection Program (EPP)

Del Val Realty & Property Management offers an **Eviction Protection Program (EPP)** where for a small monthly fee we will cover all the cost to perform an eviction including court and filing fees, attorney fees, Del Val’s fees to prepare and attend court hearings and other cost to complete the eviction and remove the non-paying tenant. Del Val will absorb all the cost of Phase I (court and Judgment) and Phase II (possession). You pay nothing! Imagine that for just 33 cents per day. This could save you between \$300.00 and \$700.00 per eviction.

The **EPP** does not include the cost associated with appeals, jury trials or counter law suits. If any of these were to occur, we will let you know and try to negotiate a favorable settlement on your behalf. The EPP also does not include cost related to changing locks or securing the property once the tenant(s) are removed.

To participate in the **EPP**, you must start the below payments at the beginning of the lease term and it must be a Del Val lease. If you want to start in the middle of an existing lease, please contact us and we can discuss your options.

Fees Covered Include:

- Administrative costs to prepare and send a 5-day Notice to Quit (NTQ)
- Accumulation of all necessary documents to send to the attorney
- Court filing fee for eviction
- Court officer serving fee per defendant
- Original attorney fee
- Filing fee for writ of possession
- Writ of possession
- Court officer service fee for write of possession
- Writ of execution
- Court officer service fee to monitor that the eviction is done properly on the actual day of eviction

The fees for the **EPP** are as follows:

Service

Check One Box

Philadelphia County - \$18.00¹ / month / unit

Outside Philadelphia County - \$10.00 / month / unit

¹ Philadelphia County requires all evictions must be done through an attorney and, as result; the fees for EPP are higher in Philadelphia County versus outside the county.

Owner’s Initials: _____

Agent’s Initials: _____



Learn How to Reduce Your Monthly Fee by 1%, 2%, 3% or More!

Del Val would like to offer you a quick and easy way to save 1%, 2%, 3% or more off your monthly fee!

Simply refer friends, family members or work colleagues to Del Val and if they sign up and become a Del Val client you will save 1% per month for each and every referral while they remain a Del Val client. For example, if your monthly fee is 8% per month and you refer 3 people, and they become Del Val clients, your fee will be reduced to by 3% to just 5% per month for as long as they are clients. It is that simply!

Please list potential referral sources below:

Name: _____

Relationship with person _____

Phone: _____

Email: _____

Number of Properties: _____

General Location of Properties: _____

Name: _____

Relationship with person _____

Phone: _____

Email: _____

Number of Properties: _____

General Location of Properties: _____

Owner's Initials: _____

Agent's Initials: _____