



# HENSON PROPERTY MANAGEMENT, LLC

626 C Admiral Drive Ste., 735 Annapolis, MD 21401

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## PROPERTY MANAGEMENT AGREEMENT

**BY THIS AGREEMENT** made and entered into on \_\_\_\_\_, by and between \_\_\_\_\_ (“Client”), and Henson Property Management, LLC (“Agent”); Client hereby employs the services of Agent to manage the following described property/properties (the “Properties”):

Address:
Key Lock Box Code

**WHEREAS** Client holds actual title to the Properties listed above, AND

**WHEREAS** Agent is experienced in the business of advertising rental properties, soliciting rental property tenants, conducting property showings/viewings, executing lease agreements and managing real estate similar to the above-described property, AND

**WHEREAS** Client desires to engage the services of Agent to manage and operate the property, and Agent desires to provide such services on the following terms and conditions.

**NOW THEREFORE**, in consideration of mutual covenants and agreements, stated herein the parties agree as follows:

**1. EXCLUSIVE AGENT:** Agent shall act as the exclusive agent of Client to manage, operate and maintain the property. As it pertains to the Properties, Agent shall be vested with all necessary authority to execute agreements/endorse documents on behalf of the Client.

**2. MANAGEMENT OF THE PROPERTY:** Agent shall make reasonable efforts to lease the Properties. Agent is vested with exclusive authority to negotiate with prospective tenants. Agent shall also have the right to execute and enter into, on behalf of Client, yearly and month-to-month tenancies and lease agreements. Agent may negotiate all extensions and renewals of such tenancies and leases. Agent shall collect rent and set rental amount. Agent shall not, without the prior consent of Client, enter into any lease for a term of less than one year or more than two years.

**3. SECURITY DEPOSIT:** So long as the tenant is in good stand, Agent shall hold security deposit in a non-interest bearing account. If tenant fails to be in good standing, agent shall return security deposit to tenant providing tenant meets all lease obligations. If tenant is not in good standing and the lease agreement is terminated, agent shall forward the security deposit to the Client.

**4. MAINTENANCE, REPAIRS AND OPERATIONS:** Client shall assume costs for completion of improvements to the Properties. The Client shall fund all contractual services related to the rehabilitation, maintenance and upkeep of the Properties. The Client shall be responsible for the cost of

any materials, supplies, or specialized equipment necessary for property maintenance and upkeep. Agent shall use its best efforts to ensure that the property is maintained in an attractive condition and in a good state of repair. In this regard, Agent shall use its best skills and efforts to cause to be made necessary repairs and alterations. Subject to Clause 13 of this agreement whenever possible Agent should endeavor to use contractors familiar with the Properties, as recommended by Client. Expenditures for repairs, alterations, decorations or furnishings shall not be made without prior consent and approval of Client, except in the case of emergency, or if Agent in good faith determines that such expenditures are necessary to protect the property from damage, to prevent injury to persons or loss of life, to maintain services to tenants, and/or to fulfill obligations levied under this agreement.

**5. SERVICE PROVIDERS:** Agent shall not be liable for services performed by rehabilitation/maintenance contractors. Agent does not employ service providers, including service providers procured by and affiliated with the Agent. All service providers receive compensation on an independent contractor basis. Agent makes no guarantees or warranties of services performed. Agent shall not be liable for injuries sustained in the course of performance, or sustained thereafter resulting from services performed or equipment installed. The agent assume no responsibility for any rehabilitation or maintenance services performed on the Properties.

**6. GOVERNMENT REGULATIONS:** Agent shall manage the property in full compliance with all laws and regulations of any federal, state, county or municipal authority having jurisdiction over the property.

**7. REPAIRS:** Agent may remit payment to service providers for services performed. In exercise of this provision, Client shall directly reimburse Agent within twenty four hours of reimbursement demand.

**8. EVICTIONS:** Agent shall be vested with authority to terminate lease agreements. Agent shall be vested with authority to seek rent and eviction judgments before the appropriate judicial authority. Agent shall be vested with authority to perform evictions in accord with the governing laws of the applicable jurisdiction(s). Client shall be responsible for all charges relating to lease termination and eviction. Agent assumes no fiscal liability for evictions.

**9. RECORDS AND REPORTS:** Agent shall keep records that reflect expenditures incurred in connection with the management and operation of the property. The records shall be maintained at the principal place of business of Agent.

**10. MONTHLY SUMMARY:** At the conclusion of each month, within a reasonable amount of time Agent agrees to submit to Client a monthly summary of all revenues and rents collected tenants, expenses incurred and other deductions including management fees, property repair, labor costs, materials/supply costs, maintenance, and other charges.

**11. MANAGEMENT FEES:** Agent shall receive a management fee equal to 10% of the rent collected, and a onetime tenant placement fee equivalent to the first full month's rent. Any management fee due Agent hereunder shall be collected by Agent by means of fee deduction from Properties income. If Agent is not paid in a timely manner Client will be responsible for all court costs, attorney fees and other reasonable fees incurred in pursuing the collection of said debt.

**12. ADDITIONAL DUTIES AND RIGHTS OF AGENT:** In addition to the foregoing, Agent shall perform all services that are necessary and proper for the operation and management of the property, and agrees to report to owner any conditions concerning the property that, in the opinion of Agent, require

the attention of Client.

**13. BEHALF OF CLIENT:** In order to properly perform the services required in this agreement, Agent is authorized to engage, on behalf of Client, any entity that is an affiliate of Agent, provided that the compensation paid for the services shall be competitive with nonaffiliated entities providing the same or similar services.

**14. TERMINATION AND RENEWAL:** This agreement shall be for a term of two years commencing the execution date of this contract. This agreement may be terminated by the Agent with reasonable notice. In the absence of the Client providing written notice or the Agent exercising right vested under Clause 14, this agreement shall automatically renew.

**15. CLIENT OBLIGATIONS:** If Client fails to perform any of its obligations under this agreement, and such failure continues for 30 days after notice of such failure is given by Agent to the Client, the Agent may immediately, or at any time thereafter, terminate this Agreement by reasonable notice, without prejudice to any remedies (whether set forth in this Agreement or provided for by law or in equity) which might otherwise be available to Agent for such failure. Upon such termination, Agent shall be released from its obligations under this Agreement, and may seek liquidated damages in the amount of the fees expected under full performance of this agreement.

**16. REIMBURSEMENT OF ALL COSTS:** Client shall reimburse Agent for all reasonable expenses incurred in management of the Properties.

**17. SALE OF PROPERTY:** Upon sale of the Properties by Client or on Clients' behalf, whether voluntary or involuntary, the Agent shall be entitled to liquidated damages, in the amount of the fees expected under full performance of this agreement.

**18. CONDEMNATION:** The Agent's obligations hereunder shall terminate in the event of a total condemnation of the property. If there is a partial condemnation of the property, this agreement may be terminated at the option of Client, subject to liquidated damages in the amount of fees anticipated in the full performance of this agreement. If such a partial condemnation of the property reduces the compensation of Agent by more than fifteen percent (15%), Agent may terminate this agreement, and seek liquidated damages in the amount of the fees anticipated under full performance of this agreement.

**19. RELATIONSHIP OF THE PARTIES:** Nothing in this agreement is intended to, or shall be deemed to constitute a partnership or joint venture between the parties.

**20. ASSIGNMENT:** Client may not assign this Agreement or any interest therein in whole or in part without the prior written consent of the Agent.

**21. ENTIRE AGREEMENT; AMENDMENT:** This instrument contains the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes and cancels all previous negotiations, agreements, commitments, and writings in connection herewith. No statements, promises, or inducements made by either party or agent of either party that are not contained in this written agreement shall be valid or binding. It may be amended only by an agreement in writing, signed by each of the parties hereto and specifically referring to this agreement.

**22. GOVERNING LAW:** This agreement shall be governed by and interpreted in accordance with the laws of the State of Maryland.

**23. PERFORMANCE:** With regard to the payment of fees due the Agent, time shall of the essence.

**24. NOTICES:** Any notice required under this agreement shall be deemed to have been given when so spoken or delivered, sent by fax or mailed, in accord with the terms of this agreement, to:

IF TO AGENT: **Noland Henson 626-C Admiral Dr. Suite 735 Annapolis, MD 21401**

IF TO CLIENT:

Client Mailing Address:	
Phone Number Cell :	----Other
Email Address:	Fax

**25. MODIFICATION:** This agreement may not be modified unless such modification is in writing and signed by both parties to this agreement.

**26. INDEMNIFICATION/HOLD HARMLESS:** The Client does hereby irrevocably convent, promise and agree to hold the Agent harmless from and against any and all losses, claims, expenses, suits, costs, demands, damages or liabilities, joint or several, of whatever kind or nature arising out of or relating in any way to this agreement, including without limitation attorney's fees, costs and expenses actually incurred in defending against or enforcing any such losses, claims, expenses, suits, damages or liabilities.

**27. SEVERABILITY:** If any term or provision of this agreement is held to be illegal, invalid or unenforceable, or the application thereof to any person or circumstance shall to any extent be illegal, invalid or unenforceable under present or future laws effective during the term hereof or of any provisions hereof which survive termination, then and in any such event, it is the express intention of the parties that the remainder of this agreement, or the application of such term, clause or provision other than to those as to which it is held illegal, invalid or unenforceable, shall not be affected thereby, and each term, clause or provision of this agreement and the application thereof shall be legal, valid and enforceable to the fullest extent permitted by law.

**IN WITNESS WHEREOF**, the parties have executed this agreement as of the date first above written.

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<b>Owner Signed</b>	<b>Owner Printed</b>	<b>DATE</b>
_____	<b>Henson Property Management LLC.</b>	_____
<b>Agent Signed</b>	<b>Agent Printed</b>	<b>DATE</b>

<b>Noland L. Henson, Owner &amp; COO</b>	
626-C Admiral Drive, Suite 735 Annapolis, MD 21401 hensonproperty@yahoo.com	410-320-6360 Owner 443- 835- 2635 Office 443- 835- 2658 Fax