SAMPLE PROPERTY MANAGEMENT AGREEMENT

PARTIES

This Agreement is made between ___________________________ ("Owner") and ___________________________ ("Agent") in consideration of the covenants set forth below:

EXCLUSIVE AGENCY

The Owner hereby appoints the **Agent as the exclusive representative** to lease and manage the property located at: ___________________________. This appointment shall remain in effect for one (1) year, beginning on the ____ day of ______________ ______ and ending on the LAST day of ______________ ______. The Agreement shall automatically renew for successive one-year terms unless either party provides written notice of termination at least sixty (60) days before the expiration of the current term.

Notwithstanding this renewal provision, either party retains the right to terminate this Agreement **for cause** with thirty (30) days' written notice to the other party.

AUTHORITY

The Owner affirms that he/she has full authority to enter into this Agreement on behalf of all record owners of the property. The Owner agrees to defend, indemnify, and hold harmless the Agent, including its agents and employees, from any claims, liabilities, or defense costs arising from challenges to the Owner's authority to execute this Agreement.

AGENT'S RESPONSIBILITIES

1. The Agent accepts this appointment and agrees to:

   a) Exercise due diligence in the management of the property during the term of this Agreement and provide the services necessary for leasing and managing the premises. However, the Agent's responsibility for due diligence does not extend to matters or conditions the Agent has not been made aware of.

   b) Provide the Owner with monthly accounting statements showing receipts, expenses, and charges, and remit to the Owner any balance of receipts after deducting disbursements. If expenses exceed the amounts collected, the Owner agrees to promptly reimburse the Agent upon demand.

   c) Deposit all funds collected on behalf of the Owner (after deducting authorized expenses or other amounts provided for under this Agreement) into a trust account with a recognized national or state financial institution.

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AGENT'S AUTHORITY

2. The Owner grants the Agent the following rights and powers, with the Owner agreeing to cover all related expenses:

a) To advertise and promote the availability of the property (or any portion of it) for lease, including placing "For Lease" signs on the premises; to negotiate, renew, or cancel leases; to collect rents due or becoming due and issue receipts; to terminate leases and issue necessary notices on the Owner's behalf; to initiate and pursue legal actions; to evict tenants and regain possession of the property; to file lawsuits in the Owner's name and recover amounts owed under the lease, including rent, damages, fees, and eviction costs. When necessary, the Agent may settle, compromise, release, or reinstate claims or tenancies. Any lease executed by the Agent on the Owner's behalf shall not exceed one (1) year without the Owner's prior written consent.

b) To oversee and arrange for repairs, alterations, and decorating of the property; to purchase necessary supplies; and to pay associated bills. The Agent must obtain the Owner's prior approval for any single expense exceeding $________, except for recurring monthly operating costs or emergency repairs that exceed this limit when, in the Agent's judgment, such repairs are required to protect the property or maintain essential tenant services.

c) To hire, supervise, and if necessary, dismiss all employees and labor needed to operate and maintain the property. All such employees will be considered employees of the Owner, not the Agent. The Agent may delegate responsibilities to the Owner's attorneys, agents, or employees and will not be held liable for their actions, negligence, or defaults, provided the Agent exercises reasonable care in their selection and oversight.

d) To enter into service contracts for utilities (electricity, gas, water, telephone), as well as window cleaning, trash removal, or any other services the Agent considers necessary. Upon termination of this Agreement, the Owner shall assume responsibility for all ongoing contracts entered into by the Agent.

OWNER'S RESPONSIBILITIES

3. The Owner additionally agrees:

a) To indemnify, defend, and hold harmless the Agent, its employees, and representatives from any claims, lawsuits, or liabilities connected with the management of the property, including but not limited to issues involving **lead-based paint, lead poisoning, mold, asbestos, Chinese drywall, and fair housing discrimination**, as well as other related matters. The Owner also agrees to indemnify the Agent, its agents, and employees from liability for any injuries suffered by individuals while carrying out duties under this Agreement. The Owner will, at their own cost, maintain sufficient public liability insurance to protect both parties, written in such a way that the Agent receives the same coverage as the Owner and is listed as a co-insured. The Agent shall not be held liable for mistakes of judgment, factual errors, or any actions or inactions made in good faith, except in cases of willful misconduct or gross negligence.

b) To pay the Agent as follows:

1. Management Fee: ___% of the gross monthly income.

2. Leasing Fee: ___% of the first full month's rent.

3. Lease Renewal Fee: ___% of one month's gross income, payable at renewal.

4. Sales Fee: ___% of the sales price.

5. Disaster Restoration Fee: ___% of total restoration costs.

6. Minimum Management Fee: $_______ per month.

7. Other: ____________________________________.

OTHER ITEMS OF MUTUAL AGREEMENT

1. Nothing in this Agreement shall obligate the Agent to advance or provide any of its funds.

2. Under Louisiana law, and "notwithstanding the provisions of Civil Code Articles 2985 through 3034 or any other applicable laws, a licensee engaged in a real estate transaction shall be considered to be representing the person(s) with whom they are working as a Designated

Agent(s), unless there is a written agreement between the Broker and the individual stating otherwise, or the licensee is only performing ministerial tasks on behalf of the person. The listing agent(s) serve as the Designated Agent(s) for the Owner and may not disclose any information regarding the price or terms the Owner is willing to accept beyond those specifically listed. An Owner's Designated Agent(s) owes all parties a duty of fair dealing.

The Owner acknowledges that the Designated Agent(s) assigned by the Broker may also represent another party who has engaged the Designated Agent(s) to locate a property. The Owner further acknowledges that such circumstances create dual representation. If a Designated Agent(s) represents a prospective Tenant interested in leasing the property, the Owner grants consent to this dual representation. Additionally, the Owner authorizes the Broker to submit this listing, along with all relevant leasing information, to the Multiple Listing Service and to update leasing activity with the service upon execution of a lease.

3. The Owner agrees that if legal counsel is required to protect any rights of the Agent, its representatives, or employees under this Agreement, the Owner will pay reasonable attorney's fees, court costs, and expenses, including but not limited to sheriff's fees.

4. For this Agreement, Late Fees will not be considered part of the gross monthly income. Any Late Fees collected shall be retained by the Agent as additional compensation for collection services.

5. During the entire term of this Agreement, the Owner agrees to maintain Comprehensive General Public Liability Insurance, which must also cover damages caused by explosions of steam boilers or similar equipment currently or later installed in the property. Such insurance must be issued by a company licensed in Louisiana. Minimum coverage shall be: $300,000.00 Combined Single Limit for Bodily Injury and Property Damage for residential properties with 1–4 units, and $1,000,000.00 Combined Single Limit for Bodily Injury and Property Damage for commercial properties or residential properties with 5 or more units. The policy must list ____________________________ as an additional insured. Upon execution of this Agreement, the Owner must provide ____________________________ with certificates of insurance verifying that coverage is in effect.

6. For purposes of the Louisiana Worker's Compensation Act, the Owner ("Principal Employer") and ____________________________ ("Contractor") mutually agree that the Principal Employer shall be recognized as a statutory employer under L.R.S. 23:1061(A). This applies to all of the Contractor's employees, including direct and statutory employees, while performing work or services on behalf of the Contractor or its subcontractors under this Agreement.

7. This Agreement shall be governed and enforced by the laws of the State of Louisiana.

8. Headings included in this Agreement are provided solely for reference and convenience. They shall not be interpreted as limiting, expanding, or otherwise altering the meaning, intent, or application of the terms and conditions contained herein.

9. If any part of this Agreement is determined to be invalid or unenforceable, the remaining provisions shall continue in full force and effect to the maximum extent permitted by law.

WE CONDUCT BUSINESS IN COMPLIANCE WITH THE FAIR HOUSING LAW

This Agreement shall remain binding upon the Agent's successors and assigns, as well as the Owner's heirs, executors, administrators, and successors.

IN WITNESS WHEREOF, the parties have hereunto set their hands and affixed their signatures this ______ day of ______________________, ______.

OWNER

BROKER/AGENT