

AGREEMENT TO MANAGE REAL ESTATE

THIS AGREEMENT TO MANAGE REAL ESTATE (this “Agreement”) is dated as of the ____ day of _____, by and between _____, as principal (hereinafter referred to as “Owner”), Landmark Realty Group, LLC, a Virginia Limited Liability Corp.

WHEREAS, Owner is the owner of _____ Arlington Blvd. #_____ & Parking Space _____Arlington, Va. 22209; and

WHEREAS, Owner desires to appoint Manager as Owner’s agent to maintain, manage and control the property in accordance with the terms and conditions hereinafter set forth.

NOW THEREFORE, in consideration of the premises and the mutual promises and covenants herein contained, Owner and Manager agree as follows:

ARTICLE I

Powers and Duties of the Manager

1.1 Owner hereby appoints Manager as Owner’s exclusive agent to manage, maintain and control the Property, and expressly authorizes and empowers Manager as follows:

(a) To advertise the Property for lease and to execute leases covering the Property for such rent and upon such terms and conditions as Manager may deem wise and proper; provided, however, that Manager shall not enter into a lease for a period longer than **(1)** years from the beginning date of such lease without Owner’s written consent. Should Manager elect to advertise the Property, the form, content and frequency shall be at the sole discretion of Manager.

(b) To collect the rents and revenues from the Property.

(c) To maintain and keep the Property in a reasonable state of repair and to expend such part of the rents and revenues from the Property as Manager shall reasonably deem necessary in so doing; provided, however, that, except in the case of emergencies, Manager shall not spend more that **\$750.00** in repairing the Property during any calendar quarter and shall not spend more that **\$2500.00** in any calendar year for turnover cost associated with re-renting said property unless and until first receiving the consent of Owner to do so.

(d) To maintain out of the rents and revenues collected from the Property

such reserves as Manager may deem wise and proper. While Manager shall have the right to maintain a greater or lesser amount of reserves, Owner agrees that maintaining reserves equal to **one (1)** months rent (as set forth in **Section 3.4**) .

(e) To employ such attorneys, agents, contractors and workmen as Manager may deem wise and proper in connection with the maintenance, management and control of the Property with Owners prior written consent.

(f) To adjust and compromise any claim that may be asserted with respect to The Property and/or which may arise in connection with the management of the Property and to give binding releases in connection therewith and in conjunction with Owners prior written consent.

(g) Generally, to maintain, manage and control the Property and to execute such agreements, contracts or other documents or do such other acts or things as Manager, from time to time, may deem wise and proper to carry out the duties stated in this Agreement.

1.2 Manager shall keep proper books of account of this agency, which books shall be open to inspection by Owner during the regular business hours of the Manager. Manager shall deposit the rents and revenues received with respect to the Property in a non-interest bearing account with a federally-insured financial institution. Such account may also be used by Manager to hold rents and revenues from other properties managed by Manager, but the Manager's books and records shall reflect at all times the rents and revenues received and the disbursements made as to the Property. Accounts shall be kept in compliance with all applicable state laws. Within **twenty (25)** days after the end of each calendar month, Manager shall furnish to Owner a statement showing the rents and revenues received, the disbursements made and the other transactions had with respect to the Property for such month.

1.3 Manager is not authorized by this Agreement either to make any capital improvements on the Property or to sell the Property, not to create any mortgages, liens or encumbrances against the Property, unless and until first instructed in writing by Owner to do so.

1.4 Owner agrees that Manager shall be under no duty to undertake any act hereunder if the Manager's fee is unpaid, or if insufficient funds are available from the rents and revenues from the Property to perform such act. Manager shall be under no duty to undertake any action, other than as herein specified, with respect to the maintenance, managing and controlling of the Property, unless and until specifically directed to in writing by Owner.

1.5

If the Owner requests and authorizes the Manager to make payments on any deed of trust, mortgages, or similar instruments encumbering the Property, Owner will at all times keep his account with Manager funded in an amount sufficient to pay the amounts due under such trusts or mortgages. The Manager agrees, upon request and authorization by Owner, to make timely payments on any trust or mortgage secured by the Property in accordance with a schedule of payments and account information supplied by Owner to the Manager; provided, however, that there are sufficient funds immediately available to Owner's account with Manager for that purpose. The Manager will not be expected nor obligated to advance or disburse any of its own money, or any money owed as compensation to Manager for its services hereunder, for that purpose, nor shall Manager be liable in any way for the default or any consequences thereof in the terms of any trust or mortgage. However, Manager reserves the right for the benefit of the Owner to make payments of said trust or mortgage in the event there is a deficiency, and it shall be the responsibility of the Owner to reimburse Manager within **ten (10)** days of notice of such payment. Owner expressly consents to such payments without prior approval if Manager deems necessary. Any sums advanced by Manager and not paid within such ten (10) day period shall commence to bear interest at a rate of **fifteen percent (15%)** per annum or the highest rate of interest permitted by law, whichever is lower. Further, if payment is not made within the aforementioned **ten (10)** day period, Owner shall be in breach hereunder and this Agreement shall terminate at the sole discretion of the Manager on the last day of the month of such breach without the necessity for prior written notice to Owner.

1.6 The Manager agrees to use commercially reasonable efforts to procure a suitable tenant for the Property and to endeavor to collect all rent and security deposits which become due in accordance with the terms of any lease now in existence on the Property, or which might be executed in the future by the Manager for the Owner, exercising due diligence in this pursuit, but nothing in this Agreement shall be construed as a guarantee by the Manager of the availability of a suitable tenant or payment of rents or other charges by the tenant. In the event that Owner is not available to directly authorize Manager to lease the Property, then the Manager is authorized to enter into the lease for Owner, and Manager shall not be liable for any errors or omissions in said act including, but not limited to, non-payment of rent or other damages by tenant.

1.7 Manager shall use commercially reasonable efforts to collect rents and revenues from the Property as and when the same become due and payable without recourse to legal action. However, Manager has the right to hire an attorney, at no cost to it to institute legal action in the name of the Owner or Manager, at the Owner's sole expense, for rental and other expense items due from tenant and/or for repossession of the property occupied by a delinquent tenant in violation of lease covenants. Owner acknowledges that he/she is responsible for all costs.

1.8 Owner agrees that Manager shall have a lien against the Property to secure the payment of Manager's compensation and any advances Manager may make from other funds.

ARTICLE II

2.1 This Agreement may not be amended or modified absent written mutual agreement signed by Owner and Manager.

2.2 In addition to the right of termination specified in **Section 1.5** hereof, this Agreement may be terminated by either Owner or Manager giving to the other at least **thirty (30)** days written notice of intention to terminate this Agreement on a certain date specified in such notice; provided, however, the termination of this Agreement shall not affect the right of Manager to receive leasing or sales commissions or fees which have accrued on the date specified in such notice and have not been paid.

ARTICLE II

Manager's Compensation and Right of Reimbursement

3.1 Owner agrees to pay Manager a leasing fee when a prospective tenant has been obtained who is ready, willing and able to lease the premises on the terms and conditions set forth in **Section 1.1(a)** hereof, or any variance from those terms to which the Owner may agree. This leasing fee is separate and apart from the property management fee specified in **Section 3.2**. The leasing fee shall be **8.33%** of the total rentals stated in the lease for the entire lease term. It is further agreed that in any instance where the lease is extended or renewed, the Owner will pay Manager a lease extension commission equivalent to **(4.16%)** of the total rentals for such extension or renewal terms(s), notwithstanding any prior termination of this Agreement. In the event the Property is received in management already occupied by a tenant, Manager shall be entitled to an administrative fee in the amount of **\$200.00** for inspection and related services. If received in vacant status, Manager will discount first rental commission to Owner and

3.2 In addition to the leasing fee specified in **Section 3.1**, for its services hereunder, Manager shall be entitled to receive and retain, on a monthly basis, a management fee equal to **5%** per month of Property rent per Property. Owner agrees to pay to Manager upon demand any fee for special services rendered by Manager and/or out-of-pocket expenses incurred by Manager in the maintenance and managing of the Property where Manager does not have available funds from the rents and revenues from the Property from which to be reimbursed. Any sum not so paid on demand shall commence to bear interest at the rate of **fifteen percent (15%)** per annum or the highest rate of interest permitted by law, whichever is lower.

3.3 In the event the Property is sold to a tenant who leased the Property during the term of this Agreement or any extension hereof, Owner agrees to pay Manager a fee of **six percent (6%)**. Manager, who is a licensed Real Estate Broker will prepare a listing Agreement and fulfill all obligations of a listing agent through settlement of the property.

3.4 Upon the execution of this Agreement, Owner shall deposit with Manager an amount equal to **one (1)** months rent or Manager will build the reserve on a monthly basis on behalf of the Owner from rents received for the Property and after paying all expenses associated with the Property except taxes and the mortgage payment and (any fees due Manager hereunder). Such amount shall be held in by Manager in accordance with **Section 1.2** hereof, and may be disbursed to pay amounts authorized under this Agreement as Manager shall determine.

3.5 The Manager shall not be liable to the Owner for any loss or damage not caused by the Manager's own gross negligence or failure to comply with its obligations hereunder. The Owner will and hereby does indemnify the Manager against and agrees to hold Manager harmless from **(a)** any liability, damages, costs and expenses (including reasonable attorneys fees) sustained or incurred for injury to any person or property in, about or in connection with the Property, from any cause whatsoever, unless such injury shall be caused by the Manager's own gross negligence or failure to comply with its obligations hereunder, and **(b)** any liability, damages, penalties, cost and expenses, statutory or otherwise, for all acts properly performed by the Manager pursuant to the instructions of the Owner. The Manager agrees promptly to send notice to the Owner of its receipt of information concerning any such injury and the amount of any such liability, damages, penalties, costs and expenses. The Owner will carry fire and liability insurance (with limits and by a carrier acceptable to the Manager in its reasonable judgment), will include the Manager as a party insured under the liability policy, and will deliver a copy of such fire and liability policies to the Manager or a certificate evidencing the same. Additionally, if requested in writing by the Manager, the Owner will carry such other insurance (with limits and against any other risks insured against by persons owning like properties in the locality of the Property. All insurance carried by the Owner shall comply with the provisions, if any, of the Articles of Incorporation, By-Laws or other regulations of the Cooperative/Condominium regarding insurance carried by Property owners. The foregoing provisions regarding the Owner's indemnification of the Manager shall survive the termination of this Agreement.

ARTICLE IV

Payment of Expenses and Distribution of Income

4.1 Rents and revenues received by Manager with respect to the Property shall be paid and distributed in the following order: **(i)** payment of the Manager's fees and other out-of-pocket expenses, **(ii)** payment of any cooperative/condominium fees or assessments, if applicable and authorized by Owner **(iii)** payment of the expenses of maintaining, repairing, leasing and releasing the Property, and other cost and expenses incurred under this Agreement, **(iv)** payment of any amounts deemed necessary by Manager for the maintenance of reserves and **(v)** the remainder to Owner each calendar month.

ARTICLE V

Special Terms and Conditions

5.1 Any special terms and provisions attached hereto as **Exhibit "A"** are hereby incorporated by this reference into this Agreement.

ARTICLE VI

Miscellaneous

6.1 This Agreement shall be binding upon and shall inure to the benefit of Owner and Manager and their respective heirs, executors, administrators, successors and assigns. This Agreement may not be assigned by Owner without the written consent of Manager. Except as set forth above, this Agreement is made solely for the benefit of the parties hereto and shall not inure to the benefit of or be enforceable by other persons or entities.

6.2 Owner warrants that the electrical, plumbing, heating and air conditioning and any other mechanical systems and related equipment, including kitchen and laundry appliances included as part of the Property, shall be in good operating condition at time of tenant's occupancy. In the event that tenant finds equipment not in good operating condition, the Manager is authorized to have said equipment repaired and deduct the cost from Owner's funds, if sufficient, or Owner will reimburse the Manager promptly upon request from the Manager. The Owner certifies that the dwelling which he is asking Manager to lease fully complies with all state and/or local laws. Owner agrees to indemnify and hold Manager harmless from any claims or liability of any nature whatsoever regarding radon gas, mold or other toxic or hazardous substances. It is agreed that it is the Owner's responsibility to take whatever steps that are now necessary to make the premises safe from radon gas, mold or other toxic or hazardous substances and to test for same as necessary.

6.3 All notices authorized or required between the parties or required by any provisions of this Agreement or by law (including without limitation for service of process) shall be in writing and must be received by the parties or mailed by certified mail, return receipt requested to the notification address of the receiving party, as set forth below, or to such other address as the parties may direct by notice given as herein provided. The effective date of any notice given hereunder shall be the date on which such notice is received or delivered, or **three (3)** days after the notice is sent by certified mail, return receipt requested, as above set forth.

NOTIFICATION ADDRESSES

OWNER

Email: _____
Phone: _____

MANAGER

**Landmark Realty
1023 Arlington Blvd.
Arlington, Va. 22209**

pat@riverplace.com

703-525-5501

6.4 This Agreement shall be governed by and construed under the laws of the Commonwealth of Virginia. This Agreement shall be construed as if drafted by both parties.

6.5 If more than one person or entity constitutes "Owner," all of such persons or entities shall be jointly and severally liable for the obligations of Owner set forth herein.

6.6 Any legal action or proceeding with respect to this Agreement shall be brought in the courts of the Commonwealth of Virginia in Arlington County or of the Property States of America for the Eastern District of Virginia (Alexandria Division) and in no other courts, and by execution and delivery of this Agreement the Owner hereby accepts for itself and in respect of its property, general and unconditionally, the jurisdiction of the aforesaid courts. The Owner hereby irrevocably and unconditionally waives any objection, including without limitation, any objection to the laying of venue or based on the grounds of **forum non conveniens** which it now or hereafter may have to the bringing of any action or proceeding in such respective jurisdictions. The Owner consents to the service of process in any such action or proceeding by the mailing of copies of such process to it by certified mail at the address indicated in **Section 6.3**.

6.7 Owner agrees to pay any and all costs and expenses, including without limitation attorney's fees, to defend lawsuits brought against Owner or Manager by tenants in connection with Manager's withholding of refunds of security deposits to pay for damages to the Property. Manager is authorized to hire attorneys at Owner's expense to defend actions brought by tenants. Owner agrees to rely on Manager's best judgment in making charges against tenant's security deposit and expressly agrees to hold Manager harmless from same. Owner authorizes Manager to settle suits brought by tenants when, in the opinion of the Manager, it is in the best interests of the Owner to settle same. It is expressly agreed that the Manager may use Owner's funds held on account to pay for any such settlement, including but not limited to, attorney's fees.

6.8 Owner agrees that Manager will not be responsible for Owner's personal possessions remaining in the Property during the term of this agreement.

6.9 Owner covenants and agrees that any and all personnel required for the management, operation and/or maintenance of the Property shall be deemed independent contractors or employees of the Owner and not of the Manager; that Manager may perform any of its duties through Owner's attorney, agents or employees or an attorney obtained by the Manager; and that the Manager shall not be responsible for the acts, defaults or negligence of the tenant and/or employees or agents of the Owner or any employees of independent contractors.

6.10 Should any litigation be commenced between the parties or their representatives with regard to this Agreement, the party or parties prevailing in that litigation shall be entitled, in addition to any other relief as may be granted, to a reasonable sum as and for his or its or their attorneys' fees and court cost incurred in that litigation.

6.11 This Agreement sets forth the entire agreement of the parties with respect to the subject matter hereof and supersedes all previous understandings, written or oral, in respect thereof.

IN WITNESS WHEREOF, Owner and Manager have executed this Agreement, as of the date first above written.

OWNER:

NAME:

NAME:

MANAGER:

Landmark Realty Group,LLC
A VIRGINIA LLC.

BY: Patricia Ann Fairman

NAME: Patricia Ann Fairman

TITLE: Principal Broker

