

PROPERTY MANAGEMENT AGREEMENT

THE PARTIES.

This Property Management Agreement ("Agreement") made this _____, 20____, by and between:

OWNER,

NAME _____

PHONE NO _____ EMAIL ADDRESS _____

ID NO/PASSPORT NO _____ MAILING ADDRESS _____

SIGNATURE _____ DATE _____

AND

PROPERTY MANAGER ("Agent")

NAME _____

PHONE NO _____ / _____ / _____

REG. NO _____ EMAIL ADDRESS _____

SIGNATURE _____ DESIGNATION _____ DATE _____

The Owner and Agent shall be referred to as the "Parties" and agree to the following:

AGENCY APPOINTMENT

The Owner hereby **appoints** and **grants** the Agent the **exclusive right to rent, lease, operate, and manage** the following ☐ Commercial ☐ Residential Property(ies): (check one)

☐ - **A Single Property** described as the following:

Address: _____

Additional Description: _____

☐ - **Multiple Properties** described as the following:

1st Property Address: _____

Additional Description: _____

2nd Property Address: _____

Additional Description: _____

Hereinafter known as the **“Property”** for the duration of this agreement. Both parties agree that the Agency has sole cause of any lease or agreement to any Lease of Property whether made in writing or orally.

The Agency has the right to enter property at any time during the length of this Property Management Agreement.

COMMENCEMENT DATE

This Property Management Agreement Begins as of (Day, Month, Year)/...../..... and is entered into by (Owner) and (The Agency) *Lesa International Agencies* for the property at

TERM.

This Agreement shall be for a term of 24 months beginning _____, 20____, and ending _____, 20____ (“Term”).

After the Term expires, this Agreement shall: (check all that apply)

☐ - Automatically renew unless Owner provides 90 days’ prior notice in writing to affirm otherwise.

☐ - Terminate.

☐ - Continue on a month-to-month basis with either Party having the option to terminate with thirty (30) days’ notice

RENTAL AMOUNT/ RATES

Lesia Int'l Agencies shall base rent prices on commercially reasonable rates for the region in which the property is located and is given discretion to rent units in property at a minimum and maximum rate within.....percent of previously agreed upon rate.

The Agency shall present offers to the owner for review and consideration if they fall above or below previously agreed upon rates.

The Owner hereby grants the Agent power to create rental agreements related to the Property for: (check all that apply)

S/NO	Type of unit	Price range in Kshs	
		FROM	TO
1	Single room		
2	Double Room		
3	Bed Sitter		
4	1 bedroomed		
5	2 bedroomed		
6	3 bedroomed		
7	Single Family Owned Homes		
8	Multiple Owned homes		
9	Shop		
10	Office Space		

ADVERTISING

The Owner grants the Agent the right to display "For Rent / Lease" and similar signage on the Property and advertise the availability of space through publications and online marketing methods where necessary.

SECURITY DEPOSITS

The Owner hereby grants the Agent power to collect security deposits from the tenants on the Property. Returning said security deposit shall be the responsibility of the: (check one)

- ☐ - Agent for returning to vacating tenants.
- ☐ - Owner for returning to vacating tenants.

SCOPE OF OPERATION

1. Operate and Control Property
2. Compile, negotiate, and execute new leases, renewals, security deposits or terminations.
3. Co-ordinate and oversee repair services deemed necessary by owner or contractually required under a lease and pay for services with owner's funds.
4. Actively promote property when necessary through advertising, marketing and listing the available vacant units and carry out tenant screening for credit worthiness.
5. At owner's expense, serve legal notices to tenants when necessary on behalf of owner, with owner's prior consent and hires legal experts when needed for eviction proceedings or rent recuperation. Owner agrees to be an interested party in such legal action and Lesa Int'l Agencies has full authority to settle claims on behalf of the owner.
6. Seeks new tenants when appropriate, making no guarantees as to the occupancy level of the property.
7. Collect rent from tenants when due, making no guarantees as to regular payments from tenants
8. At owner's expense, hires collection agencies where necessary
9. Maintains a thorough accounting of rent payment receipts, expenses, and charges on a monthly basis for owner.
10. Hires and supervises employees to repair, maintain and decorate property.
11. Where applicable, Coordinate and ensure bills payments are Done-Water bill /electricity bill and garbage collection bill as stipulated in the tenancy agreement / contract entered into with the tenants.

EVICCTIONS

The Owner hereby gives power and authority to the Agent to sign and serve notices on the Owner's behalf and prosecute actions to evict tenants; recover possession of the Property; recover rents and other sums due/past due (tenant costs associated with damage to property or its furnishings); and, when expedient, settle, compromise and release claims, actions, and suits and/or reinstate tenancies.

DUE DILIGENCE

The Agency accepts the appointment of the Owner and agrees to use due diligence in the performance of this Agreement while furnishing their services to properly lease, maintain, and continue the operation and management of the Property.

RENT COLLECTION/ LEASE ALTERATIONS

- I. The Owner hereby gives power to the Agent to initiate, sign, renew, modify, or cancel rental agreements and leases for the Property, or any part thereof and collect and give receipts for rents, other fees, charges, and security deposits.
- II. Owner will be paid out all income monthly in a manner of their choice less the Agency pay/Commission and expenses incurred.
- III. Lesa Int'l Agencies will provide monthly accounting of all rent payments for owner's records.

AGENCY COMPENSATION

The Owner agrees to pay the Agent the following fees indicated below for the services and provided: (check all that apply)

- ☐ - **Management Fee/Commission** : Expressed as a percentage of the total rent collections and not on rent due. _____ 10%.
- ☐ - **New Lease/ Tenant Placement fee**: 10% _____.
- ☐ - **Renewal of Lease**: _____.
- ☐ - **Eviction** :Check on the scope of operation _____.
- ☐ - **Preparing the Property for Leasing**: _____.
- ☐ - **Other**. If the Owner requests the Agent to perform services not included in this Agreement, a fee shall be agreed upon before such services are performed _____.

This in accordance to the Estate Agents Act Cap 533 of the Laws of Kenya (Inclusive or Exclusive of V.A.T.)

DISBURSEMENT TO THE OWNER. Disbursement to the Owner will occur on or before **day of each Calendar Month** (Disbursement Date) as long as tenants have paid rent. Lesa Int'l Agencies assumes responsibility of any rent payment disputes with tenants.

- ☐ Payment by Cheque
- ☐ Payment via Mpesa
- ☐ Payment by Electronic Funds Transfer

PROPERTY OWNER'S ACCOUNT DETAILS:

Bank Name and Branch _____

Account Name _____ **Account NO** _____

MPESA LINE _____ / _____

RESPONSIBILITIES OF THE OWNER

The Owner agrees to:

a.) Provide all documentation, records, and disclosures as required by law or required by the Agent to manage and operate the Property, and immediately notify the Agent if the Owner becomes aware of any change in such documentation, records or disclosures, or any matter affecting the habitability of the Property;

b.) Indemnify, defend, and hold harmless the Agent, and all persons in the Agent's firm, regardless of responsibility, from all costs, expenses suits, liabilities, damages, attorney's fees, and claims of every type, including, but not limited to, those arising out of injury or death of any person, or damage to any real or personal property of any person, including the Owner, for:

1. Any repairs performed by the Owner or by others hired directly by the Owner; or
2. Those relating to the management, leasing, rental, security deposit, or operation of the Property by the Agent, or any person in the Agent's company, or the performance or exercise of any of the duties, powers, or authorities granted to the Agent;

- This sub-section, and all rights to the Agent's indemnification, shall be considered void if the Agent exemplifies any willful acts of gross negligence;
- The property Owner is fully responsible for the Structural Safety as may be required by the law or any Authority of Government Agent.

INSURANCE

Owner is responsible for obtaining and paying for general liability insurance and other necessary insurance to protect the interests of the Agency and all associated personnel.

REPRESENTATIONS OF THE OWNER

The Owner represents, unless otherwise specified in writing, to be unaware of the following:

- a.) Any recorded Notice of Default affecting the Property;
- b.) Any delinquent amounts due under any loan secured by the Owner or other obligations affecting the Property;
- c.) Any bankruptcy, insolvency, or similar proceeding affecting the Property;
- d.) Any litigation, arbitration, administrative action, government investigation, or other pending or threatened action that does or may affect the Property or Owner's ability to lease the Property or transfer possession of ownership; and
- e.) Any current, pending, or proposed special assessments affecting the Property.

The Owner shall promptly notify the Agent in writing if the Owner becomes aware of any of the aforementioned items in this Section during the Term of this Agreement.

SALE OF THE PREMISES

In the event the Property is marketed to be sold by the Owner during the Term of this Agreement, the Agent: (check one)

- ☐ - Shall have exclusive rights of representation under terms agreed upon in a separate listing agreement.
- ☐ - Shall not have any rights to sell the Property under any circumstance, terms, or condition

RIGHT TO TERMINATE

During the Term of this Agreement, either Party: (check one)

- ☐ - May terminate this Agreement by providing at least __90__ days' notice.
- ☐ - May not terminate this Agreement and both Parties must satisfy the terms and conditions of this Agreement until the expiration of the Term.

In case of breach of the agreed terms either party is free to terminate the contract without further notice or take legal action against either party.

AGENCY RELATIONSHIPS

If permitted by applicable law, the Owner hereby consents to the Agent acting as a dual agent for the Owner and any tenant(s) or buyer(s) resulting in a real estate transaction. The Owner understands that the Agent may have or obtain property management agreements on other properties and that potential tenants may consider, make offers on, or lease through the Agent

property the same as or similar to the Property. The Owner consents to the Agent's representation of the other owners' properties before, during, and after the expiration of this Agreement.

SEVERABILITY.

If any part or parts of this agreement shall be held un-enforceable for any reason, the remainder of this agreement shall continue in full force and effect.

GOVERNING LAW

This Agreement shall be governed under the laws in the Country/County where the Property is located ("Governing Law").

ENTIRE AGREEMENT

This Agreement contains all the terms agreed to by the Parties relating to its subject matter including any attachments or addendums. This Agreement replaces all previous discussions, understandings, and oral agreements. The Owner and Agent agree to the terms and conditions and shall be bound until the end of the Term.

IN WITNESS WHEREOF, the Parties have indicated their acceptance of the terms of this Agreement by their signatures below on the dates indicated.

PROPERTY OWNER:

Signed By-Provide ID Copy.

Name.....Signature..... Date.....

Next of Kin Details

Name.....ID No.....Phone No.....

THE AGENCY:

Signed by-

Name.....Signature.....Date.....

Designation.....

In the presence of:

Name.....Signature.....Date.....

N/B: Please attach

1. List of all tenants, their monthly expected rents/arrears/prepayments and deposits if any.
2. Signed Lease/Tenancy Agreement for each tenant(s) if any.

