



Management Services Contract

THIS AGREEMENT established the day of ,

BETWEEN

First Name(s)	<input type="text"/>	Home	<input type="text"/>
Last Name(s)/ Corporation	<input type="text"/>	Work	<input type="text"/>
Mailing Address	<input type="text"/>	Fax	<input type="text"/>
	<input type="text"/>	Cell	<input type="text"/>
Correspondence E-mail Address	<input type="text"/>		

(hereinafter called the "Owner")

OF THE FIRST PART

AND: RE/MAX Management Solutions,
having an office at #1 - 1551 Sutherland Ave., Kelowna, B.C. V1Y 9M9 (hereinafter called the "Manager")

OF THE SECOND PART

WITNESSETH that in consideration of the mutual covenants and agreements herein contained, the parties covenant and agree, each with the other, as follows:

1. *Rental Property* The Owner is the registered owner of

(Hereinafter called the "Property")

2. *Representation* The Owner hereby designates and appoints the Manager to be the sole and exclusive representative and managing agent to manage the Property and furthermore the Owner and the Manager agree on the terms and conditions hereinafter set forth.

3. *Authorization* The Owner hereby authorizes and consents to the Manager to establish Tenancy Agreements to place tenants in the property. The Manager shall do the utmost to secure the best quality of tenants available in the market place. The Manager will seek final approval from the Owner for the selection of qualified tenants.

4. *Communication* The Manager will at all times keep the Owner advised of the telephone number at which an agent or employee of the Manager may be reached at any time during normal business hours in respect to an emergency arising in connection with the maintenance and operation of the Property.

5. *Services Provided* The Manager agrees to manage the Property on behalf of the Owner in a faithful, diligent and honest manner. The Manager, in the performance of his/her duties hereunder shall:

A. Make all necessary arrangements for the rental of the Property including entering into a Rental Contract and signing on behalf of the Owner.

B. Give such notices to tenants as may from time to time be required.

C. Enforce for the benefit of the Owner, the Tenancy Agreement and the rules and the Regulations attached to the Tenancy Agreement (including, if applicable, compliance with Strata Plan bylaws passed by Strata Corporations and any rules and regulation affecting the Property).

D. Advise and consult with the Owner to ensure the harmonious and satisfactory administration of the property.

E. Conduct at a minimum, (2) two property inspections yearly, evaluating the ongoing condition of the property and reporting back to the Owner. Records of inspections will be sent to the Owner as part of the ongoing monthly reporting packet. For additional inspections, please refer to section 6.h.

F. Maintain accurate accounts of the financial transactions involved in the management of the Property and prepare or cause to be prepared a "yearly statement of expenditures", in form utilized by the Manager from time to time. The Owner shall have the right to request an audit of the books and records maintained by the Manager with respect to the Property upon giving reasonable notice of his/her intention to do so and at the Owner's expense. Please refer to Section 6.g.ii for more information.

G. A Statement of cash transactions will be included with the net proceeds for each month, either by posting the owner portal, delivered by email or sent by regular post. Security Deposits will be held in a non-interest bearing pooled trust account. Interest due on held security deposits will be treated as an expense to the owner upon the termination of the tenancy agreement when security deposits are refunded. Interest has not been applicable to Security Deposits collected since 2009.

Statement Delivery, please choose one: **ONLINE PORTAL** **E-MAIL** **REGULAR MAIL**

H. Records to be maintained and held by the brokerage include:

- All Tenancy Agreements and other contracts related to the property
- Records of Security/Pet and other Deposits
- Invoices for expenditures incurred on behalf of the owner
- Records of Inspections related to the tenancies
- Records of all accounting statements that are prepared on behalf of the agent for the owner

I. Collect and receive all monies payable by tenants under Tenancy Agreements and deposit the net proceeds, after deduction of agency fees and other expenditures paid on behalf of the Owner, by the 15th of each month (variances to this date will occur barring weekends and holidays) via Electronic Funds Transfer into:

Institution # Transit # Account #

or by way of cheque mailed directly to the Owner if preferred. (Please supply void cheque or copy of banking information.) The Manager shall not be held responsible for any fees incurred to the owner which are charged by their financial institution for interest, overdraft, NSF, or similar due to receiving a delayed payment from the Manager.

EFT DEPOSIT **MAILED CHEQUE**

6. *Property Set-up* **A.** An initial property set-up fee of \$50 plus GST. This fee covers the costs associated with the initial administrative set-up, title search, online-portal set-up and access. The fee is deducted from the first month's revenues or deposits on hand.
- Management Fee* **B.** The Manager shall receive from the Owner a commission ("Management Fee") amount equal to the greater of ten percent (10%) of the established rental rate stated on the signed tenancy agreement or \$75.00 before taxes. Commission is to be paid each month that a Tenancy Agreement is in effect. Commission Payments shall be made by way of deduction from the monthly revenues, or deposits held in trust or a set retainer. The current GST rate will be applied to all management services.
- Placement Fee* **C.** The Manager shall receive from the Owner a placement fee for finding a new tenant. A sum equivalent to one half (1/2) of the monthly rental rate shall be deducted from any revenues received/held for the property. The current GST rate will be applied to all placement services. Placement fees will only be charged once within a six month period, and if charged after six months but prior to the completion of a fixed term lease, the cost of the placement fee is offset by liquidated damages fee.
- Liquidated Damages* **D.** In the event that a tenant has broken their lease, they are subject to paying a fee called Liquidated Damages. This fee forms the compensation payable to the Landlord for all costs associated with re-renting the unit. As the Manager is authorized to re-rent the unit and incurs all associated costs, this fee is passed on to the Manager.
- Upgrades/Repairs* **E.** Major repairs, decorating and alterations requiring ongoing supervision will be subject to a 10% charge of the total cost of the repairs/upgrades plus GST. If the property is vacant at the time the repairs/upgrades occur, a retainer amount will be requested by the Manager in order to cover appropriate deposits on repairs and fees. The fee is subject only upon agreement of the Manager and Owner as it relates a particular situation as it may arise.
- Annual Recurring Fees* **F.** Beginning on the annual anniversary of this agreement the Owner shall be charged \$30.00 plus GST for maintaining Online Portal Access. Portal Access allows the Owner to access all documents, statements, and information maintained by the Manager at any time. The Owner may choose to cancel Portal Access upon completion of the first year of this contract.
- Chargeable Fees* **G. i)** The Owner shall be billed the cost of postage for mail or documents that did not originate from the Manager and that needs to be delivered to the Owner. Please initiate mail forwarded.
ii) The Owner shall be charged \$100.00 + GST for requesting an audit on the books and record pertaining to their property. The Manager shall provide the report within 7 business days of the request, and be completed to the satisfaction of the Owner.
- Additional Inspections* **H.** The Owner agrees to pay \$_____ plus GST, for each additional inspection in excess of the semi-annual inspections provided for in section 5.E., as may be required for insurance purposes.
- Additional Fees* **I.** The Owner agrees to pay \$_____ plus GST, _____.

7. *Disputes* The Owner authorizes the Manager in the name of the Owner, to sue for and recover the rent and other sums due and to institute and prosecute actions to recover possessions of the Property. The Owner nominates, constitutes and appoints the Manager as its true and lawful representative for him in his name, place and stead to prosecute such actions as aforesaid, or to settle, compromise and release such actions or suits as fully and to all intents and purposes as the Owner could or would do on his/her own behalf. The Owner hereby ratifies and confirms all acts that the Manager as his representative shall in good faith do or cause to be done pursuant to this paragraph. A charge for a Dispute Resolution hearing of \$_____ plus GST will apply to cover filing fees, mail-outs, evidence preparation, serving of notices, and conference calls. This fee can be waived at the discretion of the Manager and approval of the Managing Broker. This expressed authority does not extend beyond the jurisdiction of the Residential Tenancy Act and Residential Tenancy Branch, and matters pertaining to small claims or other judicial governance are the sole responsibility of Owner.

8. *Payments on behalf of Owner* The Manager shall pay the following items from the monthly revenues at the Owner's request. Please check appropriate boxes.

- | | |
|---------------------------------------------|---------------------------------------------------|
| <input type="checkbox"/> Utilities | <input type="checkbox"/> Ongoing Yard Maintenance |
| <input type="checkbox"/> Garbage/Water | <input type="checkbox"/> Seasonal Clean-Up |
| <input type="checkbox"/> Property Taxes | <input type="checkbox"/> Strata Fees |
| <input type="checkbox"/> Property Insurance | <input type="checkbox"/> Other _____ |

Please consult with the appropriate Vendor and the Manager about correct account names and billing addresses. RE/MAX Management Solutions cannot be held accountable for late charges and fees if an invoice is not billed directly to the brokerage.

9. *Owner Consent* Notwithstanding any other provisions of this agreement, if the Manager wishes to carry out any repairs or alterations which SHALL require an outlay in excess of \$_____ on any one occasion, the Manager shall obtain the consent of the Owner, before proceeding with such repairs unless in an emergency situation. The Owner authorizes the Management Company to sign cheques on their behalf for disbursements of funds. The Owner may request the Manager to provide up to three quotes for payables in excess of \$_____.

10. *Indemnity* The Owner agrees to indemnify and save the Manager harmless from all costs, claims and damages which the Manager may be put to or suffer by virtue of, in connection with, or arising out of the Property and/or any action taken by the Manager in good faith pursuant to the provisions hereof which, without limiting the generality of the foregoing, shall include injuries and/or damages by an employee, tenant or other persons.

11. *Liability Coverage* The Owner agrees to carry sufficient liability and other insurance on the Property and acknowledges that the Manager is not responsible to arrange this. In case of damage caused by an act of nature or as a result of cessation or sudden surge from a public utility, the Owner hereby absolves the Manager from any blame or liability.

12. *Termination* The Manager may terminate this agreement upon two calendar months prior written notice to the Owner, and the Owner may terminate this agreement upon two calendar months prior written notice to the Manager. Alternatively, this agreement can be terminated earlier with two month's Management Fee plus GST as compensation payable upon early termination date in lieu of continued management for two months.

13. *Closure* Upon termination of this Agreement, the Manager shall provide the Owner with a final accounting and pay to the Owner the balance of monies collected by the Manager in trust pursuant to this Agreement after deduction of all expenses incurred to date thereof including agency fees as contemplated by this Agreement.

All notices required or permitted to be given hereunder shall be sufficiently given:

Notification **A.** To the Owner if signed by or on behalf of the Manager, and delivered or mailed to

:

B. To the Property Manager if signed by or behalf of the Owner and delivered or mailed to # 1 - 1551 Sutherland Ave., Kelowna, B.C. V1Y 9M9

All such notices shall be deemed to have been received on the seventh business day following the date of such mailing.

14. Foreign Ownerships or Canadian Citizens deemed Non-Residents during the existence of this Management Contract will have signed the **Non-Resident addendum**.
Foreign or Non-Resident Owner Please initial

* An Owner must have a Canadian Social Insurance Number or have obtained a Canadian Individual Taxation Number prior to eligibility for Non-Resident Tax relief. RE/MAX Management Solutions is obligated to remit 25% of gross rents monthly to the CRA for Non-Resident/Foreign Owners without an NR6 agreement in place.

15. The Owner has signed the accompanying **Strata Authorization Form** to authorize the Manager to request, be provided information, and to communicate to the Strata Corporation on behalf of the Owner . Disregard for Non-Stratified properties.
Strata Authorization Please initial

16. Unless waived in writing by the owner, all amendments or any additions of terms to this service agreement must be in writing and signed by the owner and manager.
Amendments

IN WITNESS WHEREOF the parties hereto have executed this agreement this day of , . To be effective on the commencement of the tenancy.

Owner (s)

Owner (s)

Manager

Any personal information collected by the Management Company is for the sole use of corresponding with the owner and/or depositing funds into their account. This information will remain private and confidential.



RE/MAX Management Solutions
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