# RENTAL PROPERTY MANAGEMENT AGENCY AGREEMENT

	This AGREEMENT made on	·
	Made between:	
LUXMORE REALTY	LUXMORE GROUP REALTY LTD.  11111 Horseshoe Way, RICHMOND, B.C. V7A 4Y1  TELEPHONE: (604) 790-1111 FAX: (604) 730-1122  And:	("BROKERAGE")
		("DESIGNATED AGENT")
	And: 	("OWNER")
Owner's Home Address	(if different from the rental address)	
Owner's Phone #	; Email:	
to secure the services o	f the AGENT in the management of the real propert	y of the Owner located at:
RENTAL ADDRESS: following terms and cor	nditions:	("PREMISES"), subject to the

- The above Owner is the Registered Owner/Power of Attorney of the Registered Owner of the abovedescribed property/properties and desires to appoint the Designated Agent as his/her Property Manager to rent/manage the property on the terms and conditions herein after set forth.
- The Designated Agent has agreed to become the Owner's Property Manager in respect to the management of the property, for the purpose of rental management on the terms and conditions contained herein and to use due diligence in the management of the Premises for the period and upon the terms set out in this agreement, and to furnish its services for the renting, leasing, operating and managing of the Premises.

Therefore, in consideration of the Mutual Covenants and Agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows

# 1. EMPLOYMENT AND AUTHORITY OF DESIGNATED AGENT

- a) The Owners hereby appoint the Agent mentioned above, who is designated by the Brokerage, as their sole and exclusive Agent to rent, lease, manage and operate the premises for a monthly/annual rent as approved by the Owner from time to time.
- b) For this purpose of this agreement, reference to the Designated Agent (Agent)/Property Manager includes any of the Designated Agent (Agent)/Property Manager's officers, employees, team members, assistants, or assignees from time to time.
- c) It is understood and agreed that the Designated Agent is the sole and procuring cause of any lease/tenancy, written or oral that may be negotiated either directly or indirectly by the Owners themselves.



#### 2. SPECIFIC AUTHORITY

The Owners authorize the Designated Agent to purchase necessary supplies; to contract for utility services as
needed, including vermin extermination and other services which the Designated Agent shall deem
advisable; and to make ordinary repairs to the Premises, provided that the expenditure for any one item shall
not exceed the sum of \$, without the express written consent of the Owners, unless the Agent
shall consider the circumstances surrounding the request for repairs or services to be an emergency and
prior Owner consent is not readily obtainable. The Agent will use diligence in contracting for repairs and
other services, and will have the right to hire, discharge, supervise and pay any employees, servants or
contractors for work performed. The Agent will not be liable to the Owner or others for any act or omission
on the part of such employees or other workmen, if the Agent has taken reasonable care in their
employment. The Owner will be responsible for the payment of the good and services tax and any other
applicable taxes, charges, rates and levies payable by the Owner in connection with the property covered in
this agreement, including, without limitation to, that payable in connection with the management, of the
property. The Agent may withhold from the Owner NET rental revenue and remit to Revenue Canada or any
other relevant authority any amount required to be withheld or remitted in respect of the good and services
tax, withholding tax or any other applicable tax, charge, rate or levy which the Agent is required to withhold
or remit by law.

#### 3. RESPONSIBILITIES OF THE AGENT

In addition to the foregoing authorizations, the Designated Agent will perform the following functions on the Owner's behalf:

- a) Conduct a title search to verify the ownership;
- b) Submit related documents to the Brokerage to set up the Owner's file in database;
- c) List and advertise the availability for rental of the Premises and to handle tenant application and screen tenant; to sign, renew, modify or cancel leases for the Premises; to terminate tenancies and to sign and serve in the name of the Owner such notices as are appropriate; to institute and prosecute actions, to evict tenants and to recover possession of the Premises; to sue in the name of the Owner to recover rents and other sums due and, when expedient, to settle, compromise and release such actions or suits or to reinstate such tenants;
- d) Collect all the rents and income due from tenants when such amounts become due, and deposit same into the Brokerage's trust account maintained on behalf of the Owners. Withdraw from such account all funds needed for proper disbursements for expenses payable by the Owner including, without limitation, repair and maintenance bills, and the Designated Agent's compensation;
- e) Collect security/pet/damage deposits under any lease or tenancy and forward such deposits to the Brokerage upon receipt, such deposit once cleared In the Brokerage's trust account will be submitted to the Owner's account in the first following rent remittance cycle;
- Maintain accurate and complete accounting records of all receipts and disbursements, and to submit a monthly written statement to the Owners indicating all collections and expenses, along with copies of paid bills;
- g) Request all tenants to purchase a tenant's package insurance policy. On receipt of this information the Designated Agent will provide a copy to the Owner;
- h) Provide the Owner with signed copies of all tenancy agreements within thirty business days of them being signed;

i) Maintain a copy of this agency agreement, tenant rental agreement, inspection report, tenant's credit report, owner's statements, and all other records necessary, convenient or incidental to recording the business and affairs of the Premises.

The Brokerage will remit to the Owner on a monthly basis all rents collected net of the Designated Agent's compensation and receipted expenses authorized by this Agreement or otherwise agreed to by the Owner. The remittance day will normally fall on the 13th calendar date of each month (if such day is a holiday or weekend, then it falls on the next business day). Owner's statement will also be sent out to the email address provided by the Owner on the remittance day. However, the Brokerage cannot provide any guarantees as this is depending on the timely deposits from tenants. The Designated agent will endeavor to collect from tenants in the first 5 business days of the month and provide notice to the Owner if rent is not collected on a timely manner. The Owner is advised to schedule any monthly obligations after the remittance day to ensure there is enough time to meet these financial commitments on time.

# 3.1 Limitation on the Brokerage and Designated Agent's Liability

The Brokerage and Designated Agent shall not be liable to the Owner for any arrears in the collection of rents or other payments due from tenants or as a result of any damage or other loss affecting the Premises, or for any act or omission or error in judgement unless any resulting damage, loss, injury or liability has been caused by the gross negligence or willful misconduct of the Designated Agent.

It is agreed and understood that the Brokerage and Designated Agent will only be responsible of paying general repairs and maintenance bills. Owners shall be responsible for the payment of monthly strata fees, strata fines, business license, City water and sewer charges, property taxes, insurance, mortgage payments and other expenses relating to the premises unless otherwise agreed upon in writing between the parties. If such agreement is reached, for large bills like property tax, insurance, etc., the Owner will authorize the Brokerage to withhold monthly rent till the amount is sufficient to pay the bill. The remaining balance will be remit to the Owner in the following remittance cycle. The Agent and the Brokerage will not be responsible for the penalties and arrears caused by late payment due to insufficient balance.

# 4. COMPENSATION OF THE DESIGNATED AGENT In consideration of the services to be rendered by the Agent, the Owners agree to pay the Agent any or all of the following forms of compensation (plus applicable tax) as may be applicable: a) FOR MANAGEMENT - a fee equal to \_\_\_\_\_\_% of all rent from the premises or a flat fee of \$\_\_\_\_\_ per unit per month whichever is greater. Whenever a new tenant is placed a FIFTY (50%) of rent placement fee will be charged to cover the administration and advertising costs The minimum administration fee shall be \$\_\_\_\_\_ per month per unit whenever vacant. Placement Only - A fee of half a month's rent with applicable tax will be charged for finding a tenant for those Owners who would prefer to manage their own property but not to deal with finding tenants. b) LEASE CHARGES – late charges, uncollectible cheque charges, etc. under any lease/rental/tenancy are the

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property of the Brokerage and the Designated Agent to offset their expenses in enforcing the respective lease/tenancy provisions.

c) **SPECIAL SERVICES** - any special services that are conducted for the Owner will be subject to an additional fee as per Schedule "A" for the benefit of the Agent.

#### 5. RESPONSIBILITIES OF THE OWNER

- a) Represent the Premises is free from material and latent defects and acknowledge that the Premises must be in move-in condition for new tenants. Move-in condition may include such cleaning and repairs as required by the Designated Agent;
- b) Provide a detailed description of the Premises to the Agent;
- c) Provide 3 sets of keys and entry fobs and authorize the Agent to re-key the entry upon every new tenant at the Owner's expense;
- d) Include the following services/amenities with the Premises (please check the ones that's are applicable):

	Heat _	Gardening	Pool	Other
	Hot Water	Alarm	Hot Tub	Other
	Gas	Storage Locker	Air Conditioning	Other
	Electricity	Parking Stall #	Other	Other
e) f)	applicable to the Princlude Compreher (\$2,000,000). Such indemnification of Store or remove all Premises is a Strata (i) Provide the most the Tenant of a any changes to changes includic (ii) Notify the strata the Premises; (iii) Make sure auth the Premises.	remises. The Owner agrassive General Liability Ir insurance policy shall lithe Agent by the Owne personal belongings, it a Lot:  st current copy of the R "Form K" as required b the Rules, Regulations and the newly revised Rule management companionization has been from	rees to maintain an insurance insurance coverage in a minim ist the Agent as additional insurance ras required under this Agree tems of value and anything not refer to the Strata Property Act (if a land By-Laws by sending them alles, Regulations and By-Laws by in writing that the Designation in writing that the Designations and By-Laws by in writing that the Designations are supplied to the By-Laws by in writing that the Designations are supplied to the By-Laws by in writing that the Designations are supplied to the By-Laws by in writing that the Designations are supplied to the By-Laws by in writing that the Designations are supplied to the By-Laws by in writing that the Designations are supplied to the By-Laws by in writing that the Designations are supplied to the By-Laws by in writing that the Designations are supplied to the By-Laws by in writing that the Designations are supplied to the By-Laws by in writing that the Designations are supplied to the By-Laws by in writing the By-L	s to facilitate the Agent's receipt from pplicable). Notify the Agent if there are any correspondence relating to these when they happen; ed Agent has been appointed to manage operty Management Company to rent
,			,	,
	Fridge	Microwave	Stove: GasElectric	Other
	Dishwasher	Garburator	Window Coverings/Blinds	Other
	TV(s)	Washer/Dryer	Other	Other

- i) The Owner agrees to authorize the Agent to:
  - (i) Publish pictures of the Premises on the Internet;
  - (ii) Show the Premises to prospective Tenants from the date of this Agreement until notified otherwise;
  - (iii) Lease the Premises on behalf of the Owner; iv) Screen and Select Tenants based on the Owner's preferences;
  - v) Prepare and sign all lease or tenancy agreements (if applicable) on behalf of the Owner; vi) Collect rent and security/pet deposits on behalf of the Owner; vii) Conduct all move-in procedures with the Tenant(s), including but not limited to orientation of the unit and building, providing keys, collecting move-in fees, signing of the "Form K", if applicable;
  - viii) Complete the Condition Reports for both move-ins and move-outs; ivv) Submit completed "Form K" to the strata management company (if applicable); vv) Perform any necessary and reasonable acts to carry out its obligations hereunder and everything done by the Designated Agent shall be done as agent of the Owner, and all obligations and expenses incurred and contracts properly entered into hereunder shall be for the account, on behalf and at the expense of the Owner.

j)	The Owner will allow the following pets (please check the one that's applicable):
	No Pets Allowed
	Pets Upon Approval
	Cats Only
	Dogs Only
	Other:

- k) The Owner shall be responsible for paying when all of the following expenses relating to the Premises: •
   Property Taxes;
  - Municipal Utilities;
  - All Non-Resident Taxes (where applicable);
  - Property and all other kinds of Insurances;
  - Business License;

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- Mortgage payments;
- If applicable, any fees or levies assessed against the Owner by the strata management company.

The Brokerage and Agent can, upon the Owner's request, pay the above fees with a limitation of liabilities (please refer to Section 3.1 of this Agreement). Extra charges will be applied (please refer to Schedule A attached).

I) The Owner hereby authorizes the Brokerage, and more specifically the Designed Agent, to deal with all tenant calculations for security deposit releases and charges, as deemed reasonable and lawful within its scope of authority as an agent for the undersigned Owner, in accordance with the Real Estate Act, Residential Tenancy Act of B.C. The Owner agrees that they will return the security deposit of the tenant based on the Agent's calculation once the last month rent has cleared out in the bank and the Agent has provided the Owner that the tenant has left the premise in reasonable condition.

# 6. PERSONAL INFORMATION

The Owner hereby consents to LUXMORE GROUP REALTY TD, collecting, using and disclosing the personal information for all purposes consistent with the matters contemplated herein to ensure the orderly management of the tenancy and complying with legal requirements.

7.	INDEMNIFICATION
	a) The Owner understands & agrees that the Agent does not assume any liabilities nor shall it be liable or responsible to any Owner, Tenant, Occupier, Licensee or Invitee of any such Owner & the Owner agrees to indemnify and save harmless the Agent from losses, costs, damages or expenses including legal fees incurred by the Agent in performing its responsibilities under this management agreement.
	b) The Owner shall, during and after the termination of this agreement, indemnify and save the Agent harmless from any damages or injuries to persons or property, or claims, costs, expenses and fees arising from any cause whatsoever (except if due to the gross negligence or willful misconduct of the Agent), provided the Agent while acting as a Property Manager, is carrying out the provisions of this agreement or is acting on the directions or subsequent directions of the Owner. Under no circumstances shall the Agent be liable to the Owner for any amount of any loss or damage to the Premises or its contents against which the Owner is or should have been insured. Without limiting the generality of the foregoing, the Owner will save the Agent harmless for all claims, damages costs & liability whatsoever and to protect the Agent in the same manner and to the same extent as the Owner. To facilitate this indemnification the Owner shall carry at the Owners expense sufficient insurance with the Agent designated as a named or additional insured, and provide to the Agent a copy & renewals of the said insurance policy or insurance binder.
	c) The Landlord acknowledge that there might be a risk of demolition request from the city hall, by renting out unauthorized accommodation, for the unauthorized suite. The Landlord agree to accept and responsible for all consequences and liabilities resulting from renting out the unauthorized suite.
8.	DUE AGENT AMOUNTS
	In the event that the Agent advances personal funds to make payment for expenses incurred on the Owner's behalf, and said funds are not reimbursed by the Owners, either by deduction from rents collected and/or
	payment by the Owner, then the Agent will be entitled to a fee of 2% per month of the monies expended and
	not reimbursed within 15 days after written submission by the Agent to the Owner of the amount due.
9.	TERM OF AGREEMENT
	a) Agreement will remain in effect for a period ending

- The Brokerage shall within 30 days render a final accounting to the Owner and pay over any balance in the Agent's trust account remaining to the credit of the Owner (less any amounts necessary to satisfy commitments made by the Designated Agent to others prior to the date of termination);
- The Agent is NOT responsible for obtaining a new tenant after receiving notice of termination of this contract by the Owner;
- Any financial dues and bills received after the remaining balance has been remitted to the Owner will be responsible by the Owner;
- The Owner shall assume the obligations of any contracts for services that the Agent has arranged pursuant to this agreement.

#### 10. VOLUNTARY CANCELLATION BY AGENT

Notwithstanding any other provisions of this Agreement, the Agent may elect to cancel this Agreement upon the occurrence of any of the following circumstances:

- a) In the event of a bona fide sale or demolition of the premises.
- b) If a Petition for Bankruptcy is filed by either the Owners or the Agent, or if either shall make an assignment for the benefit of creditors or take advantage of any insolvency act.
- c) If the Owners shall fail to comply with any rule, order, determination, ordinance or law of any federal, provincial or local authority, relating to the operation of the premises.

Notice of voluntary cancellation by the Agent must be sent to the Owner in writing at least thirty (30) days prior to cancellation.

#### 11. VOLUNTARY CANCELLATION BY THE OWNER

Notwithstanding any other provisions of the Agreement, the Owner may elect to cancel this Agreement upon the occurrence of any of the following circumstances:

- a) If a Petition for Bankruptcy is filed by the Agent, or if the Agent shall make an assignment for the benefit of creditors or take advantage of any insolvency act.
- b) If the Agent shall fail to comply with any rule, order, determination, ordinance, or law of any federal, provincial, or local authority, relating to the operation of the premises after receiving approval to act from the Owner.
- c) If the Agent fails to provide monthly an accounting record of all receipts and disbursements along with copies of paid bills, applicable for months in which rent is collected, within 30 days thereafter.
- d) If the Agent fails to remit net rent proceeds collected to the Owner on a monthly basis & within 30 days of collection by the Agent.
- e) Voluntary cancellation by the Owner will be effective immediately upon the occurrence of any of the circumstances contemplated under a) only; Otherwise notice of voluntary cancellation by the Owner must be sent to the Agent in writing at least thirty days prior to cancellation, showing a bonafide cause for termination. Should the Agent be able to rectify to the Owners satisfaction the cause within 10 days of receipt of notice the said notice shall become null and void.

#### 12. RESIDENCY STATUS

The Owner ner	еру се	ertifies that ne/sne is a Resident of	Canada for the purpose	s of the income Tax Act	OT
Canada as of th	ne dat	e,			
YES		SIN#	No		

and agrees to inform the Agent immediately in writing of any change of Residency Status of the Owner.

Please note it is extremely important to properly determine the Owner's Residency Status in Canada for income tax purpose. Canada Revenue Agency (CRA) requires to withhold 25% of Non-Resident Owner's gross rental income and remit this said amount. In certain situations, it is very straightforward to determine tax residency, however, in some cases it may be less obvious. If the Owner is unsure of their tax residency status, we insist that the property Owner contact a Canadian Tax Accountant or Lawyer to identify his/her tax residency status. More information can be found at http://www.cra-arc.gc.ca

If the Owner checks "No" above, which mean he/she is a Non-Resident of Canada within the meaning of the Income Tax Act of Canada, the Designated Agent along with the Brokerage will be the Owner's Canadian Agent. The Canadian Agent's responsibilities include the following (accounting fee will be charged for processing the withholding tax for Non-Resident Owners)

- The Canadian Agent must remit the Non-Resident Withholding Taxes to CRA on or before the 15th day
  of the month following the month the Revenue/Rental income is paid or credited to the nonresident
  Owner.
- The Canadian Agent is responsible for filing the annual NR4 form "Statement of Amounts" paid or credited to non-residents of Canada with CRA.
- Luxmore Group Realty Ltd. has the right to recover any tax liability that might be inherited as the agent of the non-resident without delay.
- The Non-Resident Owner is obligated to file the 216 Return before June 30<sup>th</sup> of the following year.
   Otherwise, Luxmore Group Realty Ltd. reserves the right to withhold non-resident taxes at a rate of 25% immediately.

### 13. BINDING AUTHORITY

- a) This Agreement shall be binding upon the successors and assigns of the AGENT, and the heirs, administrators, executors, successors and assigns of the Owners.
- b) This agreement will be construed according to the laws from time to time in force in the Province of British Columbia.
- c) All amounts payable by either party to the other under this agreement will be payable in Canadian Funds.
- d) The agreement constitutes the entire agreement between the parties and will not be modified or amended except by an instrument in writing dated and signed by all the parties to this agreement.



#### **14. NO WAIVER**

That no waiver, expressed or implied, by a party to or of any breach or default by the other party in performance by such other party of any of the obligations, covenants, terms, conditions herein contained will be, deemed or construed to be a consent or waiver to or of any breach or default in the performance by such other party of its obligations hereunder.

#### **15. SEVERANCE**

That in the event that any provision of this Agreement, or any part thereof, shall be found to be invalid the remainder of this Agreement shall be binding on the parties hereto and shall be construed that the invalid provision or part thereof had been deleted from this Agreement.

# **16. NO PARTNERSHIP**

The relationship of the Agent to the Owner/Landlord shall be that of Agent and principal and this Agreement shall not under any circumstances constitute or be deemed to constitute the Agent or any of its employees, officers or authorized representatives, the legal representative, tenant, partner or employee of the Owner/Landlord.

, , , , ,	the Agency Disclosure forms, required by the Real Estate prior to signing this Property Management Agreement.
Services her of British Columbia s hales, section s,	prior to signing this respectly management rigide ment.
IN WITNESS WHEREOF, the parties have set their I	nands and seals on the day and year first above written.
DECISTEDED ONAMED (NAME)	DECISTEDED ONABLE (SIGNATURE)
REGISTERED OWNER (NAME)	REGISTERED OWNER (SIGNATURE)
LUXMORE REALTY AGENT (NAME )	LUXMORE REALTY AGENT (SIGNATURE)
MANAGING BROKER APPROVAL	

#### **SCHEDULE A**

### RENTAL PROPERTY MANAGEMENT AGENCY AGREEMENT

# **Special Terms & Conditions**

1 a) the commencement date of this Agency agreement is on the Day, Month & Year first written on Page 1	of
the Agency agreement.	

1 b) The Agent shall be entitled to retain for sixty days (60) after the termination of this agreement one half (1/2) of the rent hereunder (during the last calendar month) plus the security deposit to pay there out any such bills, accounts & expenses, incurred by the Agent on behalf of the Owner while this Agency agreement was in effect.

#### **GENERAL**

The Agent declares that the Agent carries a mandatory \$1,000,000.00 Errors and Omissions insurance under the Real Estate Errors Insurance Corporation of B.C. and a further \$2,000,000.00 with a \$3,000,000.00 aggregate of Excess & Errors & Omissions Insurance over the mandatory \$1,000,000.00 required under the Real Estate Services Act of B.C.

# Fees and charges other than included in the Agency agreement

2 a) The Agent/Brokerage will (	chargeback to the owner such things (but not limited to) as:
<ul> <li>Rental advertising</li> </ul>	- at cost without markup
<ul> <li>Credit checks -</li> </ul>	at cost without markup
<ul> <li>Courier charges -</li> </ul>	at cost without markup
<ul> <li>Title Search if required</li> </ul>	- at cost without markup
Mail & Postage -	at cost without Markup
Cheque/Electronic Pay	ment Processing* - \$5 per bill payment

of \$plus GST and disbursements for the preparation & production of necessary de	ocumentation to
process or defend claims through mediation, arbitration or court. Plus, a fee of \$/hour	r plus GST for each
hour which the Agent is required to spend in attendance in court, arbitration or mediation pu	irsuing or
defending the rights of the owner.	
2 c) If the Owner chose lease up only service, move-in/out inspection fee will be \$	_ per inspection
plus GST when the Owner requires the Agent to finish a Condition Inspection Report.	

2 b) Mediation, arbitration & court appearance by the Agent – The owner shall pay the Agent an additional fee

<sup>\*</sup> For non-regular repair and maintenance bill payments

2 d) Special services – Additional services, major repairs, improvement & renovations (including remediation projects & repairs) the Agent shall charge a fee equal to \$ per hour plus GST for unusual and extraordinary major repairs, renovations or improvements authorized by the Owner or ordered by a public authority, city, health, fire or law enforcement agency and which must be coordinated or supervised by the Agent (over and above the cost of professional consultants, engineers or architects that may be required)
2 e) Insurance claims – the Owner shall pay the Agent an additional fee of \$ per hour for time spent by the Agent administering any claims, including (but not limited to) casualty, personal injury, property damage, fire, flood or liability or any other claim related to the managed property where the Agent's presence is required to mitigate or administer the loss. (The Owner & Agent agree that they will attempt to recover this fee as part of the claim from the insurer)
2 f) Non-Resident Account Handling Fee-\$15.00 plus GST per month will be applied to Non-Resident owned property to cover monthly Non-Resident Withholding Tax filing cost and the end of year reporting. If Owners choose to remit their own NR Withholding Tax, proof of payment needs to be provided after each filing, otherwise, Luxmore Realty reserves the right to reserve 25% of total gross rent to avoid accumulated penalty.

# LUXMORE REALTY

# PROPERTY MANAGEMENT AUTHORIZATION

LUXMORE GROUP REALTY LTD.

Telephone: (604) 790-1111

11111 Horseshoe Way RICHMOND, B.C. V7A 4Y1

Fax: (604) 730-1122 DATE: \_\_\_\_\_\_, BC, Canada\_\_\_\_\_\_ This letter shall service notice to \_\_\_\_\_ that the owner of the property located at \_\_\_\_ wishes to have Luxmore Group Realty Ltd. And any of the representatives from Luxmore Group Realty Ltd. Appointed to act on our behalf with regards to our account at the named address. It is our wish that any future correspondence should be directed to in care of Luxmore Group Realty Ltd.'s address. **OWNER'S NAME:**