

RENTAL MANAGEMENT AGREEMENT

This Management Contract ("**Contract**") is dated the _____ day of _____, 20_____.

BETWEEN:

(1) Name: _____ Resident Non-Resident

Address: _____

Res.Tel: _____ Bus.Tel: _____ Email: _____

(2) Name: _____ Resident Non-Resident

Address: _____

Res.Tel: _____ Bus.Tel: _____ Email: _____

(collectively the "**Owner**")

AND: MINERVA REALTY CORP.

Address: (a) Office: 323-2030 Marine Drive, Marine Drive, North Vancouver, BC, V7P 1V7

(b) Mailing: 1123 Keith Road, West Vancouver, BC, V7T 1M7

Tel: (778) 387-7368 Fax: 604-608-5734 E-mail: basheer@minervarealty.ca

Property Manager: _____ Basheer Dewji _____

(the "**Manager**")

Whereas the Owner and the Manager agree as follows:

The Owner engages the Manager to be his exclusive agent to manage their Property at:

_____ P.I.D. _____

(the "**Property**")

Starting _____, 20_____ ("**Commencement Date**"), upon the terms set forth in this Contract.

The Owner shall pay the Manager the following fees in according to Section 6.0:

Tenant Finder's Fee: _____

Monthly Management Fee: _____

The Owner's bank account information:

Owner's Account Name: _____

Owner's Account Number: _____

Bank Name: _____

Bank Address: _____

The Owner shall provide the Manager with the most updated insurance policy as set out in Section 2.0 e

Current Insurer: _____ Policy No.: _____

Current Insurance Agent: _____ Start Date: _____

Signed: _____ day of _____

Owner (1)
Signature

Witness
Signature

Name: _____
(For and behalf of all other owners)

Name: _____

Owner (2)
Signature

Witness
Signature

Name: _____

Name: _____

Manager (Minerva Realty Corp.)
Signature

Witness
Signature

Name: _____

Name: _____

1.0 MANAGER'S DUTIES

The Manager shall manage the Property on behalf of the Owner in a faithful, diligent, and honest manner and shall have the authority to perform the duties in Section 1.1.

1.1 Management Services

- (a) Use the best effort to find and retain tenants for the Property.
- (b) Enter and sign lease or tenancy agreements in accordance with the Owner's instruction, terminate any lease or tenancy agreement and accept surrender of any lease or tenancy agreement.
- (c) Ensure that the tenant abides by the Residential Tenancy Act/Commercial Tenancy Lease Agreements during the rental period, and take legal actions in case of any rent arrears and breach of the tenancy agreement for and on behalf of the Owner.
- (d) Advertise the availability for rent, arrange showing of the Property to prospective tenants, and investigate all references and credit of the qualified applicants.
- (e) Collect all rents, charges, and other monies payable by the tenant and deposit into Manager's trust account.
- (f) Remind the Owner to keep the Property insured against loss or damage by fire, water, third party liability, loss of gross rents due to damage by a peril.
- (g) Provide an emergency phone number to the tenants for emergency service.
- (h) Notify the Owner upon receipt of tenant's notice to end the tenancy.
- (i) For Strata Properties, review documents, purchase keys and fobs, manage strata related matters on behalf of the Owner, and keep the Owner update of strata status.
- (j) Perform routine inspection of the Property to check on any illegal activities or damages to the property. Additional inspections as per Owner's directive will be charged in accordance to Section 13.0 Fee Schedule.
- (k) Collect from tenants any or all of the following: an administrative charge for late payment of rent, NSF (non-sufficient fund) returned cheques, key cuttings, special trips etc. The Manager needs not account to the Owner for such charges.

1.2 Banking

- (a) Maintain a rental trust account for depositing all rents and other receipts collected to such trust account to the Owner's credit. The Owner acknowledges that any interest on the trust account funds must be forwarded to the B.C. Real Estate Foundation.
- (b) Maintain a security deposit pooled trust account for holding security deposits paid to the Manager by the respective tenants for the term of the tenancy. The Owner acknowledges that any interest on the trust account funds must be forwarded to the B.C. Real Estate Foundation.
- (c) Forward net rent after disbursements to the Owner's bank account, indicated on page 2, on a monthly basis.

1.3 Expenses

The Manager may make payments on behalf of the Owner with regards to property taxes, withholding tax (in case of Non-resident Owner), strata fees, utilities, garbage removal fees, insurance premiums, mortgage payments, other financial payments and any other disbursements, provided that the Owner's trust account has sufficient funds to cover such payments.

1.4 Income and Expense Statement

By the 15th day of each month, provide an accounting statement for all income and expenses relating to the premises for the previous month. The Manager shall further provide to the Owner a summary of current year's rental income and expense statement within one month after the end of the calendar year for income tax purposes.

1.5 Repair and Maintenance

- (a) Enter into contracts on behalf of the Owner for any repairs, alterations, or purchase deemed necessary by the Manager:
 - (i) For quotations in excess of \$1,000 or otherwise revised in the addendum, the Manager shall first obtain the consent of the Owner;
 - (ii) Minor repair and maintenance work may be performed by the Manager's maintenance personnel or by parties related to the Manager at prevailing rate;
 - (iii) For major repairs greater than the amount stipulated in Section 1.5 a(i), the Manager may require advance payment, which will be subject to supervisory fees as per Fee Schedule in Section 13.
- (b) In case of **emergencies**, such as flooding, fire, break-ins, vandalism etc., arrange immediate repairs and to promptly notify the Owner.

1.6 Records

Maintain proper books of account and records with respect to the Property including income and expense statements, inspection reports, lease documents, tenancy agreements, contracts, strata documents, credit reports etc. that shall be available for inspection at the office by the Owner on reasonable notice.

2.0 OWNER'S DUTIES

The Owner agrees to:

- (a) Provide the Manager with an emergency contact number.
- (b) Authorize the Manager to pay invoices from expenses incurred related to the Property.
- (c) Authorize the Manager to withhold funds from rent to pay for the outstanding expenses of the previous months.
- (d) In the event the balance in the Owner's trust account is insufficient to pay disbursements or dues, the Owner shall immediately upon notice, authorize the Manager to withdraw funds from its security deposit account to pay such dues, and remit to the Manager sufficient funds to cover the deficiency and promptly replenish the security deposit account. In no event shall the Manager be required to use its own funds to pay such disbursements, or be required to advance any monies to Owner to replenish the security deposit amount.
- (e) Insure the Property with sufficient general liability insurance and replacement cost insurance throughout the duration of all tenancies of the Property. A copy of the insurance policy shall be provided to the Manager at the time of signing this Agreement or mailed within the next 10 days. Upon each renewal a copy of the insurance policy must be forwarded to the Manager.
- (f) 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 management of the Property, leasing of the Property, or any action taken by the Manager in good faith pursuant to the provision hereof, which without limiting the generality of the foregoing, shall include injuries and

damages suffered by an employee, tenant, or person whomsoever. The Owner's covenant to indemnify as aforesaid with respect to the period prior to termination shall survive the termination of this Contract.

- (g) Notify the Manager three months prior to the end of the Residential Tenancy Agreement in accordance with the requirements of the Residential Tenancy Act should the Owner want vacant possession of the Property. The Owner understands that such notification given to the Manager is applicable only to a tenancy on a month-to-month basis whereby any termination of the tenancy by the Owner is subject to the laws of the Province of British Columbia, which provides the Tenant with certain rights and obligations that may affect the Owner's occupancy.
- (h) Give consent for non-emergency maintenance repairs to the Manager in a timely fashion, preferably within 48 hours of notice.
- (i) Make payments for emergency repair expenses deemed necessary by the Manager upon receipt of corresponding invoices.
- (j) Notify the Manager, upon receipt of the rental statements, of any errors within 30 days, otherwise such statements shall be considered correct.

3.0 NON-RESIDENT OWNERS

The Owner being or upon becoming a non-resident of Canada agrees to inform the Manager in writing. The Manager will deduct and remit NR Tax as per the statutory requirement of Canada. The administration cost for monthly submissions to the Canada Revenue Agency (CRA), annual statements issued, and forms signed will be billed as per Fee Schedule in Section 13.

4.0 MANAGEMENT FLOAT

- (a) The Owner shall pay to the Manager at the time of signing this rental management contract a float of Canadian \$500.00 for the purpose of meeting outgoing expenses with respect to the Property. The Manager shall deposit such float to the Manager's trust account to the Owner's credit.
- (b) The Owner will replenish such float up to \$500.00 plus applicable tax from time to time to maintain a positive balance in the Manager's trust account to the Owner's credit.

5.0 SALE OF PROPERTY / DISCONTINUED RENTAL / RE-RENTAL

The Owner and Manager agree that:

- (a) In the event that the Owner places the Property on the market for sale, the Owner shall notify the Manager in writing forthwith.
- (b) If the Property is / becomes vacant and / or cannot be rented / re-rented as a result of being on the market for sale and / or being discontinued for rental purposes as required by the Owner for any reason whatsoever;
 - (i) The Owner is responsible for the monthly operating expenses of the property and will submit funds to the Manager, within 21 days of notification, an estimated budget sufficient to maintain the normal monthly expenses and / or costs incurred or to be incurred for maintenance and repairs as recommended by the Manager from which the monthly operating costs of the Property are paid;
 - (ii) Subject to the availability of the aforementioned funds, the Manager will continue to pay monthly operating costs, which may include but not limited to, management fees, inspection fees, and office and administration costs in order to maintain the Owner's accounts payable in a current position;

- (iii) The Owner may appoint the Manager or the Manager's agent to be the listing agent to sell the Property on their behalf. The Manager will disclose the relationship to buyers and their agents;
 - (iv) The Manager shall continue to provide accounting and like statements to the Owner as required and will use its best efforts to maintain the Property in the faithful and efficient manner of a prudent and reasonable owner so as to preserve and protect the Property.
- (c) The Owner may at any time notify the Manager in writing that the Property has been withdrawn from selling and / or is again available to be rented, in which case, the Manager shall return to the performance of his duties in accordance with the provisions of the Contract.

6.0 MANAGER'S REMUNERATION

The Owner shall pay the Manager the fees indicated on page 1 and the following fees for the Manager's services. These fees may be deducted from the rent received with respect to the Property. In case of insufficient funds to pay the aforementioned fees from the rental income, the Owner shall pay to the Manager any amount outstanding within 30 days upon notification of the Manager;

- (a) **Tenant Finder's Fee:** If the tenancy has ended in less than 12 months, the Manager shall refund the remaining pro-rated balance of such fee to the Owner and charge a new Tenant Finder's Fee upon signing of a new tenancy agreement.
- (b) **Monthly Management Fee:** In the event the tenant of the Property defaults on rent, the Owner shall continue to pay a management fee to the Manager for its continual work to collect rent for the period in default.
- (c) **Renewal Fee: \$75.00** for renewing or signing a new tenancy agreement with an existing tenant. For commercial leases, one month's rent will be applicable for lease renewals.
- (d) **Disbursements:** Expenses such as advertisements, postage, photocopies, courier, registered mail, bailiff services, preparation and attendance of dispute resolution hearings, special trips, long distance calls, faxes, credit checks on prospective tenants, etc. per Fee Schedule in Section 13.

7.0 TERMS OF CONTRACT

- (a) This Contract shall continue in force for a period of **12 months** from the Commencement date. On the expiry of the term, this Contract will be automatically renewed for successive terms of one year each unless the Manager or the Owner delivers to the other party **not less than 60 days** before the end of the current term a notice of termination, in which case this Contract shall terminate on the expiry of the current term **without penalty**.
- (b) In addition to the foregoing, the Owner or the Manager may terminate this Contract at any time by delivering to the other party no later than the last day of the calendar month, a written notice of termination in which case this Contract shall terminate on the last day of the next calendar month. The Owner acknowledges that termination of this Contract shall not relieve the Owner of any obligations of the owner to the tenant then in possession of the Property.

8.0 TERMINATION OF CONTRACT

8.1 Owner Termination

The Owner may terminate this Contract under Clause 7.0 b, and the Manager may charge the Owner a termination fee, plus costs, as follows:

- (a) If the property is not occupied by a tenant at the time the Owner serves the termination notice, the Owner is required to pay the Manager a termination fee of \$200.00, plus the cost of all rental advertisement, any credit reports, and other expenses related to the property; or

- (b) If the property is occupied by a tenant at the time the Owner serves the termination notice, the Owner is required to pay the Manager a termination fee equivalent to three (3) months of management fee, plus expenses related to the property.

8.2 Manager Termination

The Manager may terminate this Contract under Clause 7.0 b, and charge the Owner a termination fee of \$200.00, plus costs, if the Manager has already recruited two or more qualified tenants to the Owner's consideration but none of these prospective tenants are accepted by the Owner.

8.3 Closing Account

The Manager shall within Ninety (90) days after the effective termination date of this Contract render a final account to the Owner, and pay the Owner the balance, if any, in the Manager's trust account, after deduction of outstanding fees and expenses relating to the property.

8.4 Release

After the termination of this Contract, the Owner and the Manager will forever release each other's liability and duties under this Contract in regards to the Property.

9.0 PERSONAL INFORMATION

The Owner consents to the collection, use, and disclosure of personal information about the Owner by the Manager for the purpose consistent with the renting, leasing, and management of the Property for which the information relating to the Property may be disclosed to persons interested in the Property including prospective tenants, agents of prospective tenants, appraisers, financial institutions, governments, and governmental departments and agencies, as required by the Personal Information Protection Act (PIPA).

10.0 ASSIGNMENT

The Manager may assign all of its interest in this Contract and its rights hereunder to any other property management brokerages, provided such assignee is a licensed property management agent.

11.0 NOTICE

All notices given by the Manager to the Owner or by the Owner to the Manager shall be in writing and may be delivered by mail or email.

12.0 GENERAL

- (a) The provisions herein contained shall constitute the entire agreement between the parties. This Contract shall ensure to the benefit of and be binding upon the parties hereto and their respective assigns.
- (b) All covenants and agreements herein contained shall be construed as being joint and several obligations of this Contract. All references to any party to this Contract shall be read with such changes in number and gender as the context hereof or reference to the party may require.

~ END ~