

RE/MAX[®]
EXCELLENCE

 **Rental**
A D V I S O R S



The RENTAL ADVISORS TEAM

OWNER MANAGEMENT PACKAGE

#202-5607 199 Street, Edmonton, Alberta T6M 0M8

Phone: (780)757-3700; Fax:(780)756-1403; Email: info@rentaladvisors.ca

www.rentaladvisors.ca

About the Company

The **Rental Advisors Team** (Under REMAX EXCELLENCE) is a Full Service Residential Property Management Company. Our goal is to maximize the cash flow of your property **WITHOUT** the headaches.

We know that life is busy and stressful without having to worry about carrying the mortgage on your vacant property or whether your tenants are paying rent on time, or if their taps are leaking. That's where Rental Advisors steps in.

Imagine a monthly rental income with no headaches. Once you sign up, we come in and take pictures of your property, advertise and show it, accept tenant applications, screen each applicant and manage your property during the term of the tenancy. You just sit back, relax and enjoy the benefits of renting!

At Rental Advisors, you are not just a number but a **VALUED** client. We pride ourselves on our client relations. We will keep you informed on all stages in regards to your property and tenant status. We value your business but most importantly... you.

Our Services

At Rental Advisors we **ELIMINATE** the stress and the headaches of renting out your property. Our services include the following:

- Provide a thorough market assessment for potential rental income.
- Take pictures of your property and advertise your property on multiple websites.
- Show your property to prospective tenants and accept applications.
- Provide owner updates on tenant placement status.
- Screen applicants via credit check, seek employer verification as well as a current or past landlord references.
- Sign a lease on your behalf with the qualified tenant.
- Handle move-in inspection and security deposit.
- Collect rent on a monthly basis, direct deposit of your rental money to your account each month and provide monthly financial statements.
- Handle all maintenance issues during the tenancy period (Tenants are provided an emergency paging line for after hour maintenance issues).
- In cases where necessary, handle and perform all eviction procedures.
- Perform up to 2 inspections during the tenancy period on owner request.
- Perform move-out inspection and the returning of security deposits (after deduction of damages).

REAL ESTATE SERVICES: Whether you are purchasing, selling or wish to investigate the possibilities, we care about your needs and will take the time to provide personal attention and 100% client satisfaction. We promise to provide the most professional, ethical and informed real estate services in the Industry. Our most important assets are honesty and integrity, whereby our clients become our friends. We will provide you with a current FULL MARKET EVALUATION of your home absolutely FREE of charge.

Owner Initial _____ Owner Initial _____

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PROPERTY DETAILS

Address: _____

City: _____ Postal Code: _____

Community: _____ Area: Central W SW SE NW NE

Condo Project Name: _____ Floor #: _____

Square Footage: _____ Year Built: _____

Bedrooms: _____ Bathrooms: _____

Style of Home: _____ Parking Type: _____

Heating/Furnace _____ Furnished: Y N

Basement Finished: Y N Partial N/A Landscaped: Y N Elevator: Y N

Fenced: Y N Sprinkle System/ Alarm System: Y N

Mailbox #: _____ Parking Stall #: _____

Buzzer #: _____ Storage # / Location: _____

Condo Property Management: _____

Phone: _____

Utilities included: Heat Water Power Cable Phone Internet Other: _____

Inclusions: Fridge Stove Dishwasher Microwave Washer Dryer Freezer AC
Window Coverings Other: _____

Condo Amenities: Gym Pool Party Room Guest Suite Other: _____

Any Warrantees: _____

Small Pets Allowed**: Y N Pet Restrictions: _____

Condo Restrictions: Age Y N If Yes, minimum age: _____ Barbeque: Y N If Yes, specify _____

**This is only an option for attached and detached homes

Rental Amount: _____ Date Available: _____

Are you currently occupying the property? Y N Move Out Date: _____

If you currently have Tenants:

Name of Tenants: _____

Contact Number: _____ Move Out Date: _____

Amount of Security Deposit of Current Tenants: _____

Owner Initial _____ Owner Initial _____

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PROPERTY MANAGEMENT AGREEMENT

This Agreement made as of the _____ day of _____, 20____

(the "Owner" – as described on the Land Title)

-and-

REMAX EXCELLENCE
Rental Advisors Team
(the "Property Manager")

WHEREAS the Owner wishes engage the Property Manager to manage the Property subject to the terms of this Agreement and the Property Manager has agreed to so act

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the premises and the mutual covenants and agreements herein contained, the parties hereto do hereby covenant and agree each with the other as follows:

(1) Property

The Owner hereby appoints the Property Manager to manage the premises municipally described as _____ in the city/town of _____ in the province of Alberta. (the "Property")

(2) Appointment of Property Manager

The Owner hereby appoints the Property Manager to be its sole and exclusive representative and agent to manage the Property. The Property Manager shall negotiate and enter into such contracts and agreements on behalf the Owner as may be necessary in order to fulfill the Property Manager's duties under this agreement. The Owner hereby appoints the Property Management as agent and authorizes the Property Manager to sign, execute and deliver all leases, service contracts, notices or other documents and to terminate any lease on the Owner's behalf.

(3) Acceptance of appointment as Property Manager

The Property Manager hereby accepts such appointments and agrees to manage the Property on behalf of the Owner and to perform the duties as more particularly set out in this agreement in a faithful, diligent and honest manner.

Owner Initial _____ Owner Initial _____

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*Terms and conditions subject to change.

(4) Term

The Owner hereby engages and appoints the Property Manager to be its sole and exclusive representative and agent for a term commencing _____, 20_____ and continuing on a monthly basis thereafter unless terminated in accordance with this Agreement.

(5) Duties of the Property Manager

The Property Manager agrees to manage the Property on behalf of the Owner during the term of this Agreement and to enter into such contracts and agreements as the agent of the Owner as may be necessary to perform the following duties:

- (1) To advertise and show the Property to prospective tenants;
- (2) To accept and process all applications submitted by potential tenants, including credit checks, employer verification and reference checks, all where applicable;
- (3) To negotiate and execute any lease for the Property, to conduct a move in inspection and move out inspection;
- (4) To handle all security deposits in accordance with the Residential Tenancies Act, Alberta;
- (5) To conduct any court proceedings required as result of a tenant breaching a lease agreement, in accordance with the conditions herein;
- (6) To conduct repairs and maintenance of the Property;
- (7) To collect the rental amounts on behalf of the Owner and to establish a trust account for the collection of such amounts.

(6) Fees**(a) Management Fee:**

- I. The Owner agrees to pay the Property Manager a management fee which shall be the greater of:
 - i. Ten (10%) Percent of the GROSS rental amount, plus GST, payable monthly;
 - or ii. One Hundred and Seventy Nine (\$179) Dollars, plus GST, payable monthly.
- II. For the first year of this agreement, the Owner shall receive an introductory rate shall be the greater of:
 - i. Ten (10%) Percent of the GROSS rental amount, plus GST, payable monthly;
 - or ii. One Hundred and Fifty (\$150) Dollars, plus GST, payable monthly.

The Owner acknowledges that the Management Fee will be deducted from the rent money collected and the Owner authorizes the Property Manager to deduct the Management Fee. In the event the Tenant is in default and is not paying rent, the Management Fee shall still be payable to the Property Manager. There will be no Management Fee payable until a tenant is placed in the Property.

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(b) Administration Fee:

An administration fee of Five Hundred and Twenty Five (\$525) Dollars, plus GST, is payable upon execution of this contract to cover the following:

- (1) Initiate and set up the Property on the system to provide for direct deposit for rental payments; (2) Creating and posting the advertising for the Property;
- (3) Scheduling and conducting showings at the Property with potential tenants;
- (4) Processing of tenant applications which may include screening of applicants for credit checks, employer verifications and current and past landlord references;
- (5) To cover all third party costs associated with website advertising and Equifax credit check fees, if any;
- (6) All costs associated with transferring a tenant, if applicable.
- (6) All administrative costs associated with placing a tenant including direct withdrawal setup, management of security deposit, and lease agreement signing.

The Administration Fee shall be deemed to be fully earned by the Property Manager upon payment and shall not be refundable.

(7) Advertising Fee

Any time the Property needs to be re-listed after a tenancy, an Advertising Fee in the amount of One Hundred and Ninety Nine (\$199) Dollars, plus GST, shall be charged. The Management Fee shall thereafter become payable once a new tenant is found for the Property. The Advertising Fee shall be deemed to be fully earned by the Property Manager upon payment and shall not be refundable.

(8) Termination of Services

Either party may specify a termination date for this agreement (the "Termination Date") as long as the other party is provided at least three (3) full calendar months written notice. The date on which the termination notice is given until the Termination Date shall be referred to as the Termination Period. All fees and other amounts which are payable pursuant to this Agreement shall be payable during the Termination Period. On the Termination Date, the Owner shall assume the obligations and liabilities of any and all contracts, agreements and commitments made between the Property Manager and various parties, including any tenants.

In the event that you decide to terminate your contract with The Rental Advisors Team within 6 months after tenant placement, an additional of \$500 + GST would be charged on top of the management fees for the termination period.

In the event that you decide to terminate your contract with the Rental Advisors Team before a Tenant has been placed into your property, the Administration Fee will not be refundable. The termination will be effective immediately upon notice.

In the event the owner fails to comply with the laws of Alberta or the terms of this agreement, the Property Manager may opt for an immediate termination.

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(9) Property Defect Disclosure/Move-In Condition

The Owner hereby represents that the Property is free from material and latent defects. The Owner acknowledges that the property must be in move-in condition for new tenants. Move-in condition may include such cleaning and repairs as required by the Property Manager, in its sole discretion. The Owner agrees that the cost of any work required to ensure that the Property is in move-in condition will be the responsibility of the Owner. In the event of the Property is not in move-in condition prior to commencement of the tenancy, in the sole discretion of the Property Manager, the Property Manager will make arrangements at contractor rates to have the Property cleaned and repaired to ensure the Property is in move-in condition. In the event that a tenant is not satisfied with the condition of the property on the move-in date, the Property Manager shall have the authority to provide the tenant with a credit, in an amount to be determined by the Property Manager, which shall be deducted from the first month's rental income payment.

(10) Wear and Tear versus Damages

Tenants will not be charged for reasonable wear and tear. Reasonable wear and tear includes deterioration of the Property that occurs during normal use of the Property. Deterioration from normal use, may include, without limitation, paint fading, electrical switches wearing out and breaking, pull strings on blinds fraying or breaking, carpet and tile wear or discoloration. Alternatively, a tenant would be responsible for damage to the Property. Damage would include, without limitation, an extreme build-up of dirt, mold, and stains on carpets or broken windows. Failure to repair alterations to the Property would be considered damage also. For example, the tenant cannot leave large holes in the walls from shelving or hanging pictures, and cannot repaint the walls to significantly change the color.

(11) Enforcement Costs

In the event that a tenant is in default of the lease agreement, the Property Manager may be required to commence a court action, or other proceeding as required by Residential Tenancies Act, Alberta, on behalf of the Owner. In this event, the Property Manager shall advise the Owner and obtain the Owner's consent prior to commencement of the proceeding. For normal court proceedings, including preparation of court documents, court filing, and court appearance, the cost shall be at contract market rates plus Ten (10%) Percent service fee to be paid to the Property Manager. Once a judgement has been obtained, it will be transferred over to Collections. Should the Collection agency succeed in collecting the amount as per the judgement, an Administration fee of Twenty (20%) including collection rates would be deducted from the collected amount.

In the event of a tenant's default which requires eviction of the tenant, the Owner authorizes the Property Manager, at the expense of the Owner, to commence all required court proceedings pertaining to the eviction of the tenant. The Owner hereby authorizes the Property Manager to sign and serve all notices, file all claims, and to negotiate, settle, compromise and release such actions or suits, or reinstate such tenancies in the sole discretion of the Property Manager. If bailiff services are required then additional cost will be based on contractor market rates plus Ten (10%) Percent service fee to be paid to the Property Manager.

(12) Repairs and Maintenance

The Owner, at its sole cost, authorizes the Property Manager to maintain and make necessary repairs to the Property during the Term of this Agreement. The Property Manager shall not authorize any work, repairs, alterations, redecoration in the name of the Owner estimated to cost in excess of Four Hundred (\$400) Dollars (prior to service administration fee and GST) without the consent of the Owner. Notwithstanding anything herein, if the nature of the work, repairs, or alterations is of an urgent nature such that the failure to complete may cause personal injury to the tenants or impair the living quality for the tenants to a substantial degree, the Owner authorizes the Property Manager to complete such work,

Owner Initial _____ Owner Initial _____

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repairs or alterations without consent of the Owner, regardless of the cost. The Owner acknowledges and agrees that the Property Manager may engage any person, firm or corporation to perform any work or services within the scope of the Property Manager's duties under this agreement.

If an emergency call occurs after business hours and or on a weekend, the Owner of the Property will be notified as soon as possible. The Owner hereby permits the Property Manager, its servants, agents and independent contractors to exercise the Owner's right of entry upon the Property. Such entry shall be made at reasonable times and upon reasonable notice to the tenant, provided that in the event that there shall be, in the opinion of the Property Manager, an emergency or imminent danger of damage to the Property, then the Property Manager, its servants, agents and independent contractors shall have immediate right of entry to the Property without notice.

If the Owner does not authorize the Property Manager to make repairs, which in the discretion of the Property Manager should be completed, the Owner will be in default of this Agreement and the provisions of Section 21 herein shall apply.

The Property Manager shall charge a service administration fee in the amount of Ten (10%) percent of the cost of the repairs and maintenance.

(13) Insurance

The Owner agrees to carry, at their own expense property insurance, with such coverage as would be maintained by a reasonable prudent owner, including without limitation coverage for the full replacement value of the Property, and also including liability insurance with a minimum limit of One Million (\$1,000,000) Dollars. The Owner shall provide a copy of the insurance policy to the Property Manager upon request.

(14) Property Taxes

The Owner agrees to pay all municipal property taxes due on for the Property.

(15) Rental Money

The Property Manager shall collect rent each month from the Tenant. The Property Manager shall provide the rental income to the Owner at the end of the third (3rd) full week after collection of the rent. In addition, the Property Manager shall provide the Owner with a statement by the end of the month. The rental income shall be paid to the Owners through direct deposit therefore the Owner will be required to provide a void cheque.

Deductions from the rental income will be made for the Management Fee, any repairs or maintenance that is required, as well as any other expenses that are incurred by the Property Manager in accordance with this Agreement.

(16) Security Deposits

The Owner agrees that all security deposits will be held in trust by the Property Manager and will be dispersed at the Property Manager's discretion. The security deposit, and any interest thereon, shall be maintained in accordance with the Residential Tenancies Act, Alberta. The Owner agrees that any and all interest incurred on the security deposit during a tenant lease will be paid to the Property Manager who will in turn pay any interest owing to the Tenant upon termination of their lease as prescribed by the Residential Tenancies Act and any excess interest is payable to the brokerage.

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(17) Other Expenses

The Owner agrees that the Property Manager will re-key the property at the end of each tenancy period, at the Owner's expense.

(18) Inventory of Furnishings

If the Owner chooses to leave any furnishings or goods in the Property, a list outlining the inventory must be provided to the Property Management Company prior to having a tenant move into the Property (This does not include personal items). The Property Manager will have the Tenant acknowledge responsibility for the goods if required by the Owner. Regardless of whether a list is provided, the Property Management Company will not assume any responsibility for the furnishings or goods.

(19) Utilities

Unless a tenant has expressly taken over responsibility for the utilities pursuant to the lease agreement, the Owner shall, at its sole cost, be responsible for supplying utilities to the Property, including when the Property is vacant.

(20) Snow Removal and Landscape

The Owner shall be responsible for snow removal and landscaping/lawn mowing at all times while the Property is vacant. These services can be organized for the Owner by the Property Manager at the Property Manger's contractor rates.

(21) Default

In the event that payment of any of the monies payable to the Property Manager pursuant to the terms of this Agreement are not made, or in the event that the Owner fails to comply with any of the covenants or agreements herein, the Property Manager may at its option cease all of its obligations herein and deem this Agreement to be repudiated forthwith, on the occurrence of such default. Any payment not made by the Owner to the Contractor on the date specified herein shall bear interest at a rate of Twelve (12%) percent per annum. The Owner hereby agrees to charge the Property for any monies, including interest, owed pursuant to this Agreement and agrees that the Property Manager shall have the right to register a Caveat against the Property claiming this interest.

(22) Assignment of Contract

The owner acknowledges that the Property Manager reserves the right to assign or sell this contract as upon provision of written notice to the Owner.

(23) Limitation of Liability

The Property Manager will take all appropriate steps to ensure the maximum possible revenue is received from this Property. However, the owner accepts ALL risks which arise from the ownership of the rental property. This includes, but is NOT LIMITED to, the risk of vacancy, damage, ANY maintenance and repairs, unpaid rent and any unlawful act committed by any person who is not an employee of the Property Manager.

Owner Initial _____ Owner Initial _____

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(24) Indemnity

The Property Manager shall not be liable to the Owner for any arrears in the collection of payments due from tenants or as result of any damage or other loss affecting the Property or for anything which the Property Manager may do or refrain from doing; nor shall the Property Manager be liable to the Owner for failure to perform any of the obligations set forth in this Agreement if such failure is occasioned by or results from destruction or damage to the Property by fire or other casualty or any other act or cause which is beyond the reasonable control of the Property Manager.

The Owner shall, during and after the termination of this Agreement for a period of two (2) years, indemnify, defend and hold harmless the Property Manager against any and all damages, suits, claims or injuries to persons or property, actions obligation, liabilities, costs, expenses and fees by reason of any cause whatsoever which the Property Manager may become liable for or suffer by reason of any breach, violation or non-performance by the Owner of any covenant, term or provision herein or be reason of any injury occasioned to or suffered by any person or persons or any property damage when the Property Manager is carrying out the provisions of this Agreement or acting upon the directions of the Owner.

(25) Non Resident Tax Implications

The Owner represents that they are not a non-resident of Canada in accordance with the Income Tax Act, Canada. The Owner shall notify the Property Manager if the become a non-resident of Canada at any time during the term of this Agreement. The Property Manager is responsible and will notify the Canada Revenue Agency on the Owner's behalf if the Owner becomes a non-resident during the Term of this Agreement. The Canada Revenue Agency requires all non-residents to pay income tax on rental income earned in Canada. To ensure income tax is paid, the Canada Revenue Agency may require that a percentage of each monthly rental payment is to be remitted to the Canada Revenue Agency on behalf of the non-resident Owner. More information can be found at <http://www.cra-arc.gc.ca/>.

Are you currently a non-resident of Canada (residing in Canada for less than 183 per year).

_____ Yes _____ No

A service administration fee of \$25+GST per month will apply.

(26) Tenant-Placed Buyer

In the event a tenant that is placed by Rental Advisors and the tenant would like to enter into sales agreement with the owner, the owner agrees to enter into fees agreement with The Property Advisors Team (sales division of Rental Advisors).

(27) Relationship between the parties

Notwithstanding anything herein, the relationship of the parties hereto shall be that of principal and agent, and all duties to be performed by the Property Manager under this Agreement shall be for and on behalf of the Owner, in the Owner's name, and for the Owner's account. In taking any action under this Agreement, the Property Manager shall be acting as agent for the Owner, and nothing in this Agreement shall be construed as creating a partnership, joint venture, or any other relationship between the parties to this Agreement except that of principal and agent, or as requiring the Property Manager to bear any portion of losses arising out of or connected with the ownership or operation of the Property. Nor shall the Property Manager at any time during the period of this Agreement be considered a direct employee of the Owner. Neither party shall have the power to bind nor obligate the other except as expressly set forth in this Agreement, excepting that the Property Manager is authorized to act with such additional authority and power as may be necessary to carry out the spirit and intent of this Agreement.

Owner Initial _____ Owner Initial _____

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Should any part of this Agreement for any reason be declared invalid, such declaration shall not affect the validity of any remaining portion, which remaining portion shall remain in full force and effect as if this Agreement had been executed with the invalid portion thereof eliminated. Upon at least 30 days prior notice provided to the Owner, the Property Manager may revise any of the fees charged to you pertaining to this contract. Time shall be of the essence of this Agreement and no extension or variation of this Agreement shall operate as a waiver of this provision. Descriptive headings are inserted solely for convenience of reference. They do not form a part of this Agreement and are not to be used in interpreting this Agreement. This Agreement embodies the entire agreement of the parties with regards to the matters contained herein, and no other agreement shall be deemed to exist except as entered into in writing by both parties to this Agreement. This Agreement shall be interpreted, construed, administered and enforced exclusively in accordance with the laws in force from time to time in the Province in which the Property is situate.

(29) Owner Contact Information

The Owner shall be obligated to advise the Property Manager in writing from time to time of the telephone number or numbers at which the Owner may be reached during normal business hours. The Property Manager shall only be required to contact the Owner at the telephone numbers set forth in this Agreement unless otherwise provided by the Owner, in writing.

The Owner shall use its best efforts to respond to the Property Manager as soon as possible. In the event the Owner fails to respond to the Property Manager within a reasonable period of time, as determined by the Property Manager, the Property Manager may at its option cease all of its obligations herein and deem this Agreement to be repudiated forthwith. The Property Manager shall not be liable to the Owner for any damages, suits, claims or injuries to persons or property, actions obligation, liabilities, costs, expenses and fees by reason of such termination.

The Owner shall provide the Property Manager with the emergency telephone number or numbers that the Owner may be reached in respect of any emergency.

Address: _____
City: _____ Province: _____ Postal Code: _____
Phone: Cell _____ Home: _____
Email: _____

EMERGENCY CONTACT INFORMATION:

Name: _____ Relationship: _____
Phone: _____ Email: _____

Owner Initial _____ Owner Initial _____

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This contract executed on the _____ day of _____, 20_____.

OWNER SIGNATURE

OWNER SIGNATURE

REMAX EXCELLENCE-The Rental Advisors Team

Owner Responsibility

With the Rental Advisors Team, we like to ensure a high quality of product. The following is a checklist for you (the owner) to ensure that we can deliver your home to a tenant.

Owner Requirements-

Please note that in order for us to begin services for your property, the following items are required:

- | | |
|---|--|
| <input type="checkbox"/> SIGNED CONTRACT | <input type="checkbox"/> ADMIN FEE (personal cheque or money order only) |
| <input type="checkbox"/> VOID CHEQUE | <input type="checkbox"/> 3 SETS OF KEYS *** |
| <input type="checkbox"/> CONDO BY LAW DOCUMENTS (If applicable) | <input type="checkbox"/> CONDO TENANT INFO DOCUMENTS (If applicable) |
| <input type="checkbox"/> INVENTORY LIST (If furnished) | <input type="checkbox"/> SETS OF KEYS (mailbox, storage, garage) |

If the property is tenant occupied, the following items are also needed:

- | | | |
|---|--|---|
| <input type="checkbox"/> MOVE-IN REPORT | <input type="checkbox"/> LEASE AGREEMENT | <input type="checkbox"/> SECURITY DEPOSIT |
|---|--|---|

Owner Initial _____ Owner Initial _____

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*Terms and conditions subject to change.

NEW PROPERTY EVALUATION CHECKLIST

Our property managers will be following this checklist for evaluating your property on its cleanliness upon their site visit. The property must be in move in ready condition for the tenants and must meet our standards. If the property does not meet our standards, we will require the services to be ordered either by the owner or our in house contractors.

Please look over this sheet and make sure the following are complete:

- Smoke detectors checked and properly work
- Fire extinguisher present in the property
- Carpets must be professionally steam cleaned
- All floors wiped and cleaned
- All lights/lamps must have all light bulbs working
- Taps checked for leaks
- Walls need to be cleaned, if there are any major dents, they need to be repaired
- Wash windows from inside
- Furnace Filter must be new
- Furnace and ducts must have been recently cleaned
- All appliances cleaned, in and under
- Grass mowed/ snow shoveled
- Blinds dusted
- All shelves cleaned
- All garbage or personal belonging removed from the property
- If any windows are broken or cracked, they must be repaired prior to tenants moving in
- Remove all personal items

We strive to provide excellent customer service to our owners and tenants, the better the condition of the property, the happier the tenants will be.

REMAX Excellence – The Rental Advisors Team; #202-5607 199 Street, Edmonton, Alberta, T6M 0M8 ;

Phone: (780)757-3700, Fax: (780)756-1403;

Email: info@rentaladvisors.ca; www.rentaladvisors.ca

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