

RESIDENTIAL MANAGEMENT AUTHORITY

This Agreement

Made this day of:

.....
Day Month Year

Between

.....
The Owner

And

Potential Property Management Ltd

Background

This Agreement gives the Property Manager the exclusive right to manage the rental premises referred to in the Schedule (which shall form part of this agreement) for a minimum period of 6 months fromand thereafter on an on-going basis until terminated pursuant to the provisions of this Agreement.

The Parties Agree:

1. Owner's obligations

- 1.1 The Owner appoints the Property Manager to act as their exclusive agent to manage the property, referred to in the Schedule.
- 1.2 In consideration of the services performed by the Property Manager the Owner agrees to pay the Property Manager the commission set out in the Schedule and such other charges specified in this Agreement, including any changes and/or adjustments to such charges that may arise from time to time following a review.
- 1.3 The Owner authorises the Property Manager to record the name of the Property Manager as agent for the Landlord on any tenancy agreement the Property Manager may prepare and any other relevant document the Property Manager may sign on behalf of the Owner.
- 1.4 The Owner acknowledges that with this appointment the Property Manager will act as if the Property Manager was the landlord and to do all things on the Owner's behalf necessary to manage the property effectively.
- 1.5 The Owner warrants that the information supplied to the Property Manager in this Agreement and Schedule is correct.

2. Authority and Obligations of Property Manager

2.1 The Owner authorises and instructs the Property Manager to do the following:

- a. To advertise for tenants and to select the tenant, who, in the Property Manager's opinion, is most suitable for the property after checking the background and credit worthiness of the successful applicant;
- b. To rent the property to such suitable tenant and if that tenancy should come to an end for any reason to re-rent the property unless otherwise instructed;
- c. To use a written Tenancy Agreement at all times;
- d. To rent out and renew the tenancy on the terms as set out in the Schedule;
- e. To conduct inspections of property at a maximum of six monthly intervals.
- f. To furnish the Owner with a copy of the property inspection reports;
- g. To collect a bond from the tenant equivalent to 3 or 4 weeks rent and to lodge it with the Tenancy Services Division of the Department of Building and Housing and at the conclusion of the tenancy to sign the bond refund form and refund to the tenant such sum as the Property Manager deems fair and reasonable;
- h. To collect rental payments as and when they fall due for payment and to take whatever steps are required by the Property Manager to follow up and demand payments of unpaid rent. For the purposes of such collection, the Owner agrees that the Property Manager may appoint a debt collection agency, at the Property Manager's discretion, to pursue any outstanding amounts from tenants. The associated costs and expenses will be charged on to the Owner as part of expense incurred on behalf of the Owner;
- i. To deduct from rent proper charges and reimbursements/disbursements for moneys expended on behalf of the Owner. The Property Manager may deduct from any funds held on behalf of the Owner in the Property Manager's trust account any fees, expenses and disbursements for which the Property Manager has provided an invoice;
- j. To ensure compliance with the terms of the Tenancy Agreement and the provisions of the Residential Tenancies Act 1986 by taking whatever steps the Property Manager deems appropriate including to:
- k. Arrange for the property to be provided in a reasonable state of cleanliness;
- l. Serve the tenant with the appropriate notice to carry out an inspection;
- m. File applications to the Tenancy Tribunal to attend Mediations;
- n. Attend Hearings of the Tenancy Tribunal and on behalf of the Owner to receive and act on the Orders wherever possible;
- o. To conduct a regular review of the level of market rent in accordance with the Residential Tenancies Act 1986;
- p. To negotiate with contractors and supervise all remedial or maintenance work at the property; and
- q. To advise the Owner forthwith of the Property Manager becoming aware of the tenancy being abandoned.
- r. To review and if necessary adjust, from time to time, the management services charges payable under this Management Authority with one month's notice.

3. Repairs

3.1 The Owner authorises the Property Manager to spend up to \$350.00 for all repairs and maintenance to the property. However, the Property Manager shall not be required to obtain the Owner's consent where:

- a. The repairs are urgent and necessary;
- b. The failure to complete the repairs might endanger the tenant or any occupant;
- c. The failure to complete the repairs might cause the premises to no longer comply with any code or laws applying to the premises;
- d. The failure to complete the repairs may risk damage or exacerbate damage to the premises; or
- e. The Tenancy Tribunal makes a Works Order and there is a limited time to comply with the Works Order.

4. Accounting and Statements

4.1 The Property Manager shall account to the Owner for the rent monies received and all payments received on the Owner's behalf on a regular basis as set out in the Schedule subject to the deductions authorised in this Agreement.

4.2 In the event that any such deductions or the expenses/disbursements incurred are in excess of the rent monies collected by the Property Manager, the Owner agrees to pay such excess to the Property Manager promptly upon demand.

4.3 The Property Manager shall credit any applicable credit balance towards the Owner's account nominated in the Schedule.

5. Warranty as to Ownership or Authority as Landlord

5.1 The Owner, by signing this Agreement, warrants that they are the Owner of the rental premises or are authorised to enter into this Agreement and has or have authority to appoint the Property Manager.

6. Resource Consents and Building Consents

6.1 The Owner warrants that the property has all relevant building and resource consents and complies with all council requirements as to building, including town planning requirements, health and safety requirements and fencing of swimming pool requirements. The Owner further warrants that there are no charges, orders or interests which are or may be attached to the property that may affect occupancy or the intended use of the premises by tenants and that there are no pending court decisions or hearings that may affect the tenancy in any way.

7. Insurance

7.1 The Owner warrants that they will keep the property fully insured during the term of this Agreement. The Owner acknowledges that they have been advised to also

8. On The Market For Sale

8.1 The Owner confirms that the rental premise is not listed on the market for sale.

- a. If the property is listed on the market for sale the Owner warrants that the Owner has provided the tenant(s) with the required notice under S47 of the Residential Tenancies Act 1986.
- b. Should the property be placed on the market, the Owner undertakes to advise the Property Manager forthwith to comply with the relevant provisions under the Residential Tenancies Act 1986.

9. Property Manager's Responsibility and Restriction on Liability

- 9.1 The Property Manager shall carry out the responsibilities set out in this Agreement to the standard of care of a reasonable property manager.
- 9.2 The Property Manager undertakes to use best endeavours to ensure continuity of tenancy throughout the term of this Agreement.
- 9.3 The Property Manager shall take due care in the performance of their contractual obligations but does not assume liability arising from any default by the tenant in the payment of rent or otherwise including any charges, fines or any claims arising from damages caused to the property by tenants.
- 9.4 The Owner shall indemnify the Property Manager, its agents, employees and contractors against all liabilities or damages, including costs arising in relation to the tenancy or the property.

10. Property Furnished

- 10.1 If the property is to be let furnished, the Owner agrees to prepare the chattels list and deliver it to the Property Manager before the letting commences. This list will then be included in all Tenancy Agreements.

11. Grounds and Pool Maintenance

- 11.1 The Property Manager shall ensure that any grounds or pool are maintained to a reasonable standard at all times.

12. Water Supply to the Property

- 12.1 The Owner confirms that the property is separately metered / not separately metered / not connected to reticulated water supply (choose one) and warrants that, in any event, adequate means for the collection and storage of water are supplied to the property.
- 12.2 If the property is separately metered the Property Manager will, on the provision of copies of invoices from the relevant water supply authority or the Owner, arrange for the on-billing of water charges to the tenants of the property. The water account will be paid from rent and reimbursed by the tenant. The Owner will remain responsible for any charges that are incurred whilst the property is not tenanted.

13. Enforcement of Tribunal Orders

- 13.1 The Owner agrees that the Property Manager shall not be liable to enforce any Order of the Tenancy Tribunal.

14. Indemnity Provisions

- 14.1 The Owner indemnifies and keeps the Property Manager, its employees and contractors protected from all costs, claims, demands, suits, legal proceedings, or loss arising in relation to the property or tenancy.

15. Termination of this Agreement

15.1 This agreement shall be terminated as follows:

- a. By the Owner - by giving notice to the length of the period set out in the Schedule in writing delivered to the Property Manager's address for service referred to in this Agreement;
- b. By the Property Manager - by giving notice not less than the period applicable under 16.1.a above delivered to the Owner at the Owners address for service;
- c. All notices under this clause 16 may be served via email;
- d. If the Property Manager reasonably believes that there is a risk of harm to the tenant, in continuing to live in the rented premises on health and safety grounds, and that risk cannot be immediately abated or removed, then the Property Manager reserves the right to terminate this Agreement immediately by any means of communication available to them.

16. Acceptance of Appointment

16.1 The Property Manager accepts appointment as the Property Manager under this Agreement and agrees to comply with the Real Estate Institute of New Zealand (REINZ) Residential Property Management Code of Practice and all other relevant Codes of Practice that may be issued by REINZ from time to time.

17. Unit Title

17.1 If the property is a unit title property, the Owner shall forthwith provide the Property Manager with the most up-to-date version of the Body Corporate Rules and their amendments or variations from time to time which the Property Manager will pass onto the tenants in accordance with s16B of the Residential Tenancies Act 1986. The Owner shall also provide the Property Manager with the Body Corporate Secretary's contact details.

Signature of Owner

Signature of Property Manager



SCHEDULE

Property Information

Address of the property (rental premises)

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No. of bedrooms No. of bathrooms

Off street Parking: YES / NO No. of vehicles

Fully Furnished / Unfurnished

Are there any utilities included in the rent: YES / NO

Date available Rent amount: \$

Owner Information:

Owner's Details

Address

Email Phone Fax

Bank Account Details: Bank:

Branch: Account No:

Payments to be made by the Property Manager to this account monthly on the
1st working day of every month.

Emergency Contact if the Owner is temporarily unavailable

Is this person authorised to make decisions on your behalf
in emergency situations? Yes / No

Name Phone Fax

Email

Solicitor's name

Solicitor's firm name

Phone Fax Email

Address

Insurance Company details including renewal dates and policy numbers:

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Management Commission, fees and disbursements

On gross rent collected the sum of	8.5% + GST (1 Property)
On maintenance work completed	0% + GST
On attending mediations the sum of	\$0 + GST
On attending the Tenancy Tribunal	\$0 + GST
Application fee for Tenancy Tribunal (to be recovered from tenant)	\$20.44 incl GST
On completing inspections (6 monthly)	\$0 + GST
On advertising cost of	0% + GST
An administration fee of	\$0 + GST
New Tenancy Application Fee	\$250 + GST

On the payment of insurance premium	0% + GST
On the payment of rates	0% + GST
On the payment of body corporate fees	0% + GST
On the payment of each credit check fee	\$0 + GST

These fees may change from time to time. You will be notified in advance of any change.

Terms of Tenancy (delete if not applicable)

Fixed only (specify any maximum term preferred; Periodic Variable
(at the Property Manager's sole discretion)

The Owner's permission required for any extension of tenancy or review of rent amount?
 YES NO

Digital television status: (select one)

The property currently has a TV aerial, satellite dish or cable suitable for digital TV or the Owner will install same before any tenancy commences.

OR

The property does not currently have a TV aerial, satellite dish or cable suitable for digital TV and the Owner will not install one before any tenancy commences.

Smoke alarms installed at the property and are in working conditions?
 YES NO DON'T KNOW

The Owner further notes that:

- My/our full names will be disclosed on the Tenancy Agreement as the Landlord without any contact details.
- If the property is owned by a Trust or a company and a family member is to occupy the property, the tenant will require a notice of at least 90 days.