

BACKGROUND

The "Property Manager" or "Manager" referred to in the agreement means Summit Property Management Ltd and includes any assignee under clause 15; and any employee of Summit Property Management Ltd.

This Agreement gives the Property Manager the exclusive right to manage the tenancy premises referred to in the Schedule (which shall form part of this agreement) for a minimum period of twelve months from the date 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 tenancy of the rental premises during the term of this Agreement.
- 1.2 In consideration of the services to be 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 charges and/or adjustments to the management services and charges that may arise from time to time following a review. The Property Manager agrees to give the Owner not less than one month's notice prior to implementing any change from any such review
- 1.3 The Owner authorises the Property Manager to recite their name as principal 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 agrees that the information the Owner supplies to the Property Manager in this agreement and Schedule is correct.

2. Authority of Manager

- 2.1 The Owner authorises and instructs the Property Manager to do the following:
 - a. To advertise for tenants, place signage and promote the property for let, 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 after receiving instructions to re-let from the owner. Should the Property Manager be unable to contact the Owner, the Property Manager may at their discretion proceed to re-let the property.
 - c. To use a written tenancy agreement.
 - d. To rent the property on a periodic tenancy / fixed term basis as per the Schedule. Should any tenancy be a fixed term the Owner acknowledges that the tenancy will become periodic at the end of the fixed term unless notice is served by either party under section 60 of the Residential Tenancies Act 1986. Should the Owner wish for the tenancy to terminate at the end of the fixed term, the Owner will instruct the Property Manager to serve the appropriate notice at the appropriate time.
 - e. To conduct and record property inspections at the commencement of each new tenancy and at regular intervals throughout each tenancy no less than four times a year unless otherwise specified in the Schedule. The Owner agrees that the Property Manager will accompany the Owner should the Owner wish to inspect the property during a tenancy during normal business hours and that this inspection will be treated as a routine inspection under the Residential Tenancies Act 1986. Property inspections extend only to apparent damage to the property and not to hidden or latent defects.
 - f. To collect a bond from the tenant equivalent to no less than four weeks rent and to pay it to the Tenancy Services Division of the Ministry of 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.
 - g. 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 compel 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 upon vacation. The associated costs and expenses will be charged to the Owner as part of expense incurred and with payments directly from the debt collector to the owner.
 - h. 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.
 - i. 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:
 - i. Arrange for the property to be provided in a reasonable state of cleanliness;
 - ii. Serve the tenant with the appropriate notice to carry out an inspection;
 - iii. File applications to the Tenancy Tribunal to attend Mediations;
 - iv. Attend Hearings of the Tenancy Tribunal and on behalf of the Owner.
 - v. To conduct a regular review of the level of market rent in accordance with the Residential Tenancies Act 1986, on an annual basis or whenever the property is re-let.
 - vi. To negotiate with contractors and supervise all remedial or maintenance work at the property; and
 - vii. To advise the Owner forthwith of the Property Manager becoming aware of the tenancy being abandoned.
- 2.2 The Property Manager will use best endeavors to:
 - i. Carry out the responsibilities set out in this Agreement;
 - ii. To keep the landlord fully informed of any issues relating to the effective management of the rental premises; and
 - iii. To ensure continuity of tenancy throughout the term of this Agreement.

3. Repairs

- 3.1 The Owner authorises the Property Manager to spend up to the equivalent of one week's rent or a higher amount as per the Schedule for any 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 other person, or
 - 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; and
 - e. The Tenancy Tribunal shall make a Works Order and there is a limited time to comply with the Works Order.
 - f. The Property Manager must take all reasonable steps to obtain the best pricing and options for repairs and maintenance and be prudent in the selection of contractors engaged to carry out work on the rental premises.
 - g. The Property Manager will use best endeavors to keep the Owner fully informed at reasonable intervals of expenses being incurred.

4. Accounting and Statements

- 4.1 Within 3 working days of the end of each calendar month the Property Manager shall account to the Owner for rent received and payments made on the Owner's behalf during that month. Any net credit interest earned from the bank on credit balances during the month shall be retained by the Property Manager.
- 4.2 In the event that the disbursements shall be in excess of the rents that are collected by the Property Manager the Owner agrees to pay such excess promptly upon demand.
- 4.3 The Property Manager is instructed to credit any applicable credit balance direct to the account details as per the Schedule.
- 4.4 If in the Property Manager's sole discretion, it may be necessary or proper to reserve or withhold Owner's funds to meet obligations which are or may become due (including the Property Manager's compensation) then the Manager may do so.

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 management 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 health & safety, town planning 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.
- 6.2 The Owner warrants that the property has its own exclusive electricity supply for the tenant to have their own account with an electricity supply company.

7. Insurance

- 7.1 The Owner has been advised by the Property Manager to take up Landlord Protection Insurance.
- 7.2 The Owner warrants that they will ensure the property is fully insured at the commencement of the tenancy and shall remain fully insured during the term of the management authority.
- 7.3 If the Owner lives overseas, the Owner;
- a. Authorises the Property Manager to act as the Owners agent to process claims (particularly in cases where mitigation of loss is a factor); and
 - b. Will at the Property Manager's request confirm this authority to the insurer.

8. Property on The Market For Sale

The Owner warrants that the rental premises is not on the market for sale and will not be on the market for a minimum of six months from the date of this agreement or the commencement of any new tenancy. If the property does go onto the market for sale, the Owner warrants that the Owner will give the tenant(s) the required notice under S47 of the Residential Tenancies Act 1986 or instruct the Property Manager to do so on their behalf prior to the property being marketed. The Property will not be re-let while it is on the market for sale.

9. 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 endeavors 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 which are beyond the control of the property manager.
- 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 unless such liability or damage is a direct result of an omission or a negligent act by the Property Manager.

10. Property Unfurnished

- 10.1 The Owner acknowledges that the property is to be let on an unfurnished basis and to remove any furnishings other than carpets, drapes, stove, dishwasher and essential items under the Residential Tenancies Act. Any wood, coal or other consumables or goods left at the property will not be at the responsibility of the Property Manager to arrange replacement or inventory.

11. Maintenance

- 11.1 Swimming pool or spa pool, the Landlord acknowledges that pool maintenance is at the Landlord's cost under the Residential Tenancies Act 1986, either by instructing a pool maintenance contractor or by providing materials, chemicals and instruction by qualified persons to the tenant as per the Schedule.
- 11.2 Grounds maintenance, the Landlord acknowledges that any garden maintenance apart from mowing and a small amount of weeding is the Landlord's responsibility and that under the Residential Tenancies Act 1986, the Landlord's obligations include spraying, pruning, clearing gutters and drains, gardening responsibilities as per the Schedule.
- 11.3 Gas appliances, it is deemed a responsibility of the Landlord to supply gas bottles for the property, where gas appliances are provided,

either by purchase or hire from gas providers, the Property Manager will not be responsible for measuring any gas.

- 11.4 Carpet cleaning, under the Residential Tenancies Act 1986, there is no legal obligation for outgoing tenants to clean carpets, this is only enforceable should staining be caused by the tenant.
- 11.5 Cleaning, under the Residential Tenancies Act 1986, the tenant is only responsible for leaving a rental property in a "reasonably clean state," this does not include the cleaning of carpets, drapes, ceilings, walls and fittings, there will be occasions when the Property Manager will need to instruct cleaners between tenancies and the Landlord acknowledges that this comes under 'maintenance'.
- 11.6 The Owner instructs the Property Manager to have the chimney and/or flue cleaned once per year, after the winter months or before winter begins, the cost is to be borne by the Owner.

12. Water Supply to the Property

The Owner warrants that, in any event, adequate means for the collection and storage of water are supplied to the property.

If the property is not connected to a reticulated water supply, the Property Manager will be authorised to incur the cost of filling the water tank as and when needed to comply with the Residential Tenancies Act 1986.

12.1 The Owner acknowledges that:

- a. They have been advised to allow for water charges in the rent assessment without pass-on charges to the tenant and that no charges may be levied where there is no separate meter.
- b. The owner is primarily liable for water charges and in the absence of : (i) Owner instruction to the property manager to seek water charge reimbursement from the tenant in addition to rent; and (ii) Forwarding of water accounts from the Owner to the Property Manager within 28 Days of the close of each Billing period; The rental shall be deemed to include watercharges.

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 using the District Court civil enforcement system.

14. Hazards

14.1 The Owner warrants that they are not aware of any potential Hazards affecting the property nor any issues that may be in breach of any OHS requirements or Health & Safety under the Residential Tenancies act 1986 other than noted potential Hazards on this form.

15. Assignment

15.1 If the Property Manager intends to assign to another Property Manager the Property Manager's interest in this agreement, the Property Manager shall deliver to the Owner at the Owner's address for service notice in writing naming the intended assignee and the date on which the assignment will be made and the Owner may then, by notice expiring on the date of settlement of the assignment or such later date as the Owner shall elect, terminate this agreement.

16. Unit Title

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.

17. Tenancy Tribunal Fees

17.1 On attending hearings and all related matters under the Residential Tenancies Act the application fee is payable by the Owner, for time involvement on the part of the Property Manager acting on behalf of the Owner there is no charge.

18. Termination of this Agreement

18.1 This agreement shall be terminated as follows:

- a. By the Owner by the giving of three months' notice in writing (including email to an email address); delivered to the Property Manager's address referred to in this agreement or to any address commonly and usually used for correspondence or email; subject to the initial 12 month term assured under Background above.
- b. By the Property Manager delivering to the Owner at the Owners address notice in writing (including email to an email address) of any time period being not less than 14 days and not longer than three months;
- c. If the Property Manager reasonably believes that there is a clear and present risk of harm to the tenant, in continuing to live in the rented premises and that risk cannot be immediately abated or removed, or that actions or inaction on the Owners part that makes the further performance of our services impractical then the Property Manager reserves the right to terminate this agreement forthwith by any means of communication available to them.

19. Acceptance of Appointment

19.1 The Property Manager accepts appointment as Property Manager under the terms of this agreement and agrees to comply with the Code of Practice for Residential Property Managers and Letting Agents published by REINZ.

19.2 The Owner confirms the Property Managers appointment on the terms of this agreement.



SCHEDULE

OFFICE USE ONLY	
BRANCH _____	PROPERTY MANAGER _____
SOURCE _____	

This Authority will cover any further properties the owner gives access to the Property Manager to let and manage. Full postal address of property (For additional properties use separate sheet)

number _____ street _____ suburb _____ town _____ postcode _____

Owners full legal name: _____

Authorised Agent (If applicable): _____

Correspondence Address: _____

Email Address: _____

Telephone (Day): _____ Mobile: _____ Other: _____

Emergency Contact or Solicitors Name: _____ Firm: _____ Tel: _____

In case of Owner being temporarily unavailable to make decisions

Insurance Company: _____ Policy #: _____ Excess: \$ _____

Bank: _____ Branch: _____ A/c Name: _____

Account Number:

(Please provide deposit slip/ or proof of account)

Duplicate Statement E-mail Address: _____ Name: _____

e-mail: _____

Tick where applicable:

a. Statements: e-mail e-mail Duplicate

b. Payment Frequency: Twice monthly Monthly

c. Swimming/Spa pool:
 Maintained by by tenant
 (with landlord supplying chemicals)

d. The rental of the property (ies) will be inclusive
 or exclusive of water charges

e. The grounds will be maintained by contractor
 by tenant

f. The following pets may be kept at the property:
 Bird Cat Fish Dog inside Dog outside
 Other _____ Any by negotiation

g. The property is to be let on a periodic basis
 fixed term Term: _____

h. Frequency of inspections: 3 monthly or _____
 (minimum 6 monthly, maximum monthly)
 Please verify your insurance requirements

i. Communication preferences (Inspections/ Maintenance/
 Updates/Tenancy Issues): e-mail Phone call

j. The property has insulation:

Ceiling Type: _____ Rating: _____
 Walls Type: _____ Rating: _____
 Underfloor Type: _____ Rating: _____

Reasons for being unable to verify insulation/ exemptions:

k. Potential Hazards:

Management Commission, Fees and Disbursements:

1. Letting Fee for tenancy set up \$ _____ + GST

2. On gross rent collected the sum of _____% + GST

3. On maintenance work completed and disbursements _____% + GST

4. On completing inspections \$ _____ + GST

5. (Other) _____ \$ _____ + GST

Any special instructions: _____

I accept the terms of this authority and confirm that the information given above is true and correct.

Signature of Owner: _____ Date: _____

(Duplicate copy to Owner)