

MANAGEMENT AUTHORITY

TERMS AND CONDITIONS - RESIDENTIAL TENANCY

I / We hereby appoint Managed Property Management (herein called “managed”) to act as exclusive property manager upon the terms and conditions set out herein (including the related schedules) for the renting, tenancing and managing of the property.

Managed is authorised:

Management

- To arrange tenancies, prepare and sign Tenancy Agreements including other agreements associated with the tenancy on my/our behalf utilising the form of agreement of managed.
- Managed is authorised to advertise for tenants, receive applications and undertake background/reference and credit checks of potential tenants to select the best possible tenant.
- If managed has undertaken the process of advertising, receiving applications and pursuing applications and the owner withdraws the property from the rental market for any reason before a tenant has signed a Tenancy Agreement, the owner will be liable for all of the costs incurred for advertising, marketing and other associated disbursements.
- To require the property to be presented to a high standard of cleanliness at the commencement of each tenancy, managed can arrange for a professional cleaner to clean the property at the end of each tenancy, if required, with the owner meeting that cost.

Authority

- To commence any application or take any action to the Tenancy Tribunal on the owner's behalf.
- To appear at Tenancy mediation and Tribunal Hearings in accordance with the current Residential Tenancy legislation on the owner's behalf.
- The owner agrees to be bound by any agreements made by way of mediation or orders of the Tenancy Tribunal.

Rent

- To collect rental payments as and when they fall due for payment, including following up rental arrears and enforcement of the terms and conditions of the Tenancy Agreement and exercising the right to terminate the tenancy, if required.
- To review the rent every 12 months and recommend the appropriate market rent.

Bond

- To collect a Bond of up to 4 weeks rent for each tenancy and to lodge the Bond with the appropriate tenancy authority within the requisite time.
- To initiate refund of the Bond to the tenant on satisfactory completion of the tenancy.

Owner Payments & Reporting

- To account for all monies to the owner from rent collected (after all disbursements and fees have been paid) to the owner's nominated account, monthly on the 1st of every month or the first working day thereafter.
- To render monthly statements to the owner for monies collected, fees deducted and disbursements paid and to remit to the owner all receipts.
- To receive from the owner all charges detailed herein until the agreement is terminated.
- To hold the owner liable for all debts owed by the owner to managed at the end of the tenancy and all the costs of recovery of any such debt, including the costs of a debt collection agency, commissions, legal fees and any associated disbursement costs and court costs.

Inspections

- To undertake property inspections at the beginning and end of each tenancy and during the tenancy at the required inspection intervals and to complete a property inspection report for each inspection.
- The inspection fee will be deducted from rent collected on the owner's account.

Repairs and Maintenance

- To arrange repairs and maintenance of the property up to the sum agreed by the owner and pay all associated accounts. To obtain the owner's prior approval to the expenditure for any major renovation, repairs and maintenance of the property over the sum agreed by the owner and to pay all associated accounts.
- If managed receives a fourteen (14) day notice to remedy from the tenant, the owner agrees that managed shall have full power and authority to remedy the complaint. If the owner does not agree to managed remedying the complaint, then managed may at its sole discretion give notice to terminate this agreement.

- Managed is not required to obtain the approval of the owner for any repairs and maintenance of the property ordered by the Tenancy Tribunal, required in an urgent or emergency situation to protect the property or the health and safety of the tenant or where failure to repair may cause the property to no longer comply with applicable laws or codes. If the costs for any work required is higher than the credit balance held by managed then the owner agrees to lodge sufficient funds to the bank account of managed for the work to be undertaken.

The owner acknowledges and agrees:

Term

- The term of this agreement is for an initial period of twelve (12) months during which the owner cannot cancel the agreement.
- After the initial term either party may terminate the agreement in accordance with the termination provisions set out herein.

Disclosure

- The owner has disclosed all relevant information which pertains to the property.
- The owner will provide managed with copies of all relevant insurance policies for the property at commencement of this authority and annually on review, if required. The owner warrants and confirms that they have advised managed of the required inspection intervals of their insurer in the relevant insurance policy for the property.
- If the property is part of a unit title development, the owner will provide managed with a copy of the Body Corporate Rules at commencement of this authority and any changes to Body Corporate Rules as they arise.
- The owner accepts that managed must disclose information to a tenant which pertains to any health and safety hazards and risks at the property, including any hazardous substances such as but not limited to Methamphetamine.
- The owner will not put the property on the market for sale without first advising managed in writing.
- The owner will not direct the tenant to pay the rent otherwise than to managed. In the event this occurs, managed may elect at its sole discretion treat this management agreement at an end and give notice to terminate the agreement.
- The owner will provide at least two sets of keys for the property upon commencement of this agreement.

Gas and Electricity

- If gas and electricity is not separately metered in terms of allowing the tenant to have the services in their own name for that particular tenancy, the service and related invoice will be in the owner's name and the owner will provide managed with the utility invoice and advise the apportionment. Managed will not be held liable for any utility costs not paid by the tenant.
- If gas bottle hire cannot be placed in the tenant's own name for that particular tenancy, then gas bottle hire will be the responsibility of the owner.
- If the property is vacant and gas and electricity is required between tenancies to maintain and clean the property then these services will be put in the owner's name.

Furnished Properties

- If the property is to be let furnished with chattels and personal items of the owner at the property, the owner may supply a written list itemising all chattels and personal items or managed can compile a list, for the applicable fee.
- Managed will not be responsible for any chattels and personal items of the owner stored at the property.

Health and Safety

- The owner has disclosed all information which pertains to any health and safety hazards risks at the property and any hazardous substances including but not limited to methamphetamine contamination and asbestos.
- That the owner accepts liability (if any) arising from contractors or people other than the tenant coming into the property and will indemnify managed against any liability under any health and safety legislation to the fullest extent possible.

Toxic Substance Contamination

- The owner is aware of the risks involved in the tenancing of a property with contamination that can occur from the use and production of Methamphetamine at the property.
- Specific landlord Insurance is recommended to protect against drug contamination.
- Managed strongly advises the owner to test the property for toxic substances including Methamphetamine prior to commencement of a tenancy and at the end of a tenancy.
- Managed is not an expert in determining if the property is affected by toxic substances, including Methamphetamine.
- The owner will have the property tested for toxic substances, including Methamphetamine at the owner's expense at the commencement or end of any tenancy, if required by managed.

Liability for Damage / Arrears of Rent

- While managed will take due care in the performance of its contractual obligations under this agreement, the owner accepts managed is not liable for any actions and damage to the property caused by the tenant or their invitees or a contractor (whether or not arranged by managed) or for wear and tear or gradual damage or for any damage caused by the tenant or their invitees from drug contamination or any other illegal activities. The owner accepts that managed will not be liable for any charges, fines or other claims arising from the tenant's occupation and use of the property.
- While managed will endeavour to ensure continuity of occupation of the property at market rent, the owner accepts that managed shall not be liable to the owner for any defaults in payment of rent or charges by the tenant.

Relevant Legislation

- The owner confirms the property is compliant with all relevant legislation including but not limited to the Residential Tenancies Act 1986 and the Healthy Homes Guarantee Act 2017.
- The owner will not instruct managed to make any decision or take any action or undertake any omission that is deemed unlawful under the Residential Tenancies Act 1986, the Health and Safety at Work Act 2015, Healthy Homes Guarantee Act 2017, the Human Rights Act 1993 and the Privacy Act 2020 or any other relevant legislation.

Termination

- If this agreement is terminated by the owner within the initial twelve (12) month period the owner will incur an early termination fee of \$1000.00 (inclusive of GST).
- This agreement can be terminated after the initial twelve (12) month period by either party giving the other party 3 months' notice in writing.
- If there is a dispute between the parties and it cannot be resolved to the satisfaction of managed, then managed shall have at its sole discretion the right to cancel this agreement with fourteen (14) days' written notice to the owner.
- If the property is withdrawn by the owner prior to the property being rented, the owner agrees to pay all of the costs incurred for advertising, marketing and other associated disbursements.
- If the owner places the property on the market for sale without first advising managed then managed may elect at its sole discretion treat this management agreement at an end and give notice to terminate the agreement. If any loss is caused to managed, the owner agrees to indemnify managed for all costs and losses.

Indemnity

- The owner will indemnify managed against all actions/claims/costs and expenses whatsoever which may arise against managed in the course of and arising out of the proper performance of its duties as the property manager or the proper exercise of any of its powers, duties or authorities contained in this management authority.

Variation

- The owner accepts that the terms and conditions and costs in this agreement may vary and managed will advise the owner of any variations in writing.

Disputes

- If a dispute arises between the owner and managed, the parties will first endeavour to resolve the dispute between them.
- If the parties cannot resolve the dispute, and subject to managed not electing to terminate this agreement with a fourteen (14) day written notice to the owner, the parties agree to refer the dispute to mediation. The mediator will be a member of LEADR appointed by the parties or, if the parties cannot agree, by the President of the New Zealand Law Society or the President's nominee. The mediator will fix the times and procedures for the mediation and the parties will comply with them.
- Neither party can commence arbitration or court proceedings unless the mediator advises both parties that the mediation has been unsuccessful.
- The parties must always act in good faith and co-operate with each other in trying to resolve any dispute between them.

Sale of Property Management Business / Property Portfolio

- The owner accepts that managed may sell the business / property portfolio comprising the property and other properties without requiring the owner's prior consent but managed agrees that it will advise the owner regarding the sale of the business / property portfolio and the new property manager details either prior to settlement or within 30 days of settlement of the sale of the business / property portfolio.

I / We confirm:

I am / We are the lawful owner(s) of the property or have the legal authority of the owner(s) or other part owners to enter into this agreement.

That all of the information supplied to managed is correct and I/We acknowledge that we have read and understand this management agreement and have been provided with a signed copy.

Owner's Name(s): _____

Signed by Owner(s): _____

Date: _____

Date: _____

Signed by Managed: _____

Date: _____