

# PROPERTY MANAGEMENT AUTHORITY



**THIS AGREEMENT** made this ..... day of ..... 20 .....

**BETWEEN**.....  
(The Owner)

**AND**.....KAREN JOHNSON PROPERTY MANAGEMENT LTD..... and.....KAREN JOHNSON.....  
[Company Name] (the Property Manager)

### 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 ..... from ..... and thereafter on an ongoing basis until terminated according 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 did 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:
  - To advertise for tenants at the Owner’s expense, and to select the tenant, who, in the Property Manager’s opinion, is most suitable for the property after checking the background and creditworthiness of the successful applicant.
  - To rent the property to such suitable tenant and if that tenancy should come to an end for any reason to rent the property unless otherwise instructed.
  - To always use a written Tenancy Agreement.
  - To rent out and renew the tenancy on the terms as set out in the Schedule.
  - To conduct and record property inspections at the commencement of each new tenancy and regular intervals throughout each tenancy no less than three times a year or otherwise as agreed at the commencement of this agreement. The Owner warrants and confirms that these intervals noted are consistent with the Owner’s insurance policy for the property.
  - To furnish the Owner with a copy of the property inspection reports.
  - To collect a bond from the tenant equivalent to ...**FOUR**..... weeks rent and to lodge it with the Tenancy Services Division of the Department of Building and Housing and after the tenancy to sign the bond refund form and refund to the tenant such sum as the Property Manager deems fair and reasonable.

- 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 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 to the Owner as part of the expense incurred on behalf of the Owner.
- To deduct from rent proper charges and reimbursements/disbursements for amounts of money 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.
- 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:
  - 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 to receive and act on the Orders wherever possible.
  - v. To conduct a regular review of the level of market rent following the Residential Tenancies Act 1986.
  - 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.
- 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 either up to the equivalent of one week's rent or \$..... for all repairs and maintenance to the property. However, the Property Manager shall not be required to obtain the Owner's consent where:

- The repairs are urgent and necessary.
- The failure to complete the repairs might endanger the tenant or any occupant.
- The failure to complete the repairs might cause the premises to no longer comply with any code or laws applying to the premises.
- The failure to complete the repairs may risk damage or exacerbate damage to the premises; or
- 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 regularly 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 more than 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 consent 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 take up an appropriate insurance cover for extra protection against the risks associated with residential tenancy.

## **8. On the Market for Sale**

8.1 The Owner confirms that the rental premise is/is not listed on the market for sale. (Delete one)

- 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.
- 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 concerning 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 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 always maintained to a reasonable standard. The maintenance/valet/chemicals costs for the pool will be included in the weekly rent obtained for the property and a trained pool person will attend to the property on a 2-weekly basis or as needed.

## **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 Owner will remain responsible for any charges that are incurred whilst the property is not tenanted.
- 12.3 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 at the commencement of each tenancy.

## **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 concerning the property or tenancy unless such liability or damage is a direct result of an omission or a negligent act by the Property Manager.

## **15. Assignment**

- 15.1 The Property Manager may, with notice to the Owner, assign this Agreement to a third party without limiting any of the Owner's rights stipulated in this Agreement including their right to terminate under clause

## **16. Termination of this Agreement**

- 16.1 This agreement shall be terminated as follows:
- 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.
  - By the Property Manager - by giving notice not less than the period applicable under 16.1. an above delivered to the Owner at the Owner's address for service.
  - All notices under clause 16 may be served via email.
  - 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.

## **17. Acceptance of Appointment**

- 17.1 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.

## **18. Unit Title**

- 18.1 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 following 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

Address of the property (rental premise) .....

Number of bedrooms ..... Number of bathrooms ..... Parking: garage / carport / OSP

Chattels: Stove Rangehood Dishwasher Waste Master Fridge Freezer Heat pump  
Curtains/Nets Blinds/Verticals Washing Machine Dryer TV Aerial HRV/DVS

The property is available for rental purposes for:

**Owner's Details:**

**Full Name:** .....

**Address:** .....

**Email:** .....

**Phone Home:**..... **Work:** ..... **Mobile:** .....

Bank Account Details - Bank: Branch: Account No:

.....  
Bank Branch Account Number Suffix

(The Owner is to provide the Property Manager with a deposit slip, or the bank account details.)

**Payments to be made by the Property Manager to this account held by the Owner:**

Twice monthly  First trading day of each calendar month

**Emergency Contact** if the Owner is temporarily unavailable

Is this person authorised to make decisions on your behalf in emergencies? - Yes / No

Name ..... Phone .....

Email.....

**Notice period** required for **terminating** this Agreement .....ONE MONTH IN WRITING .....

**Terms of Tenancy** (delete if not applicable)

Preferred Tenancy Type Fixed only (specify term) ..... or Periodic / Variable .....

Preferred rent per week: \$.....

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

**Insurance Company: (full details are required by law**

NAME OF INSURANCE COMPANY: .....

TYPE OF INSURANCE: .....

What Insurance cover do you have:

HOUSE YES / NO      CHATELS YES / NO      LANDLORD PROTECTION YES / NO      GLASS YES / NO

EXCESS FOR EACH TYPE OF INSURANCE: \$ ..... \$..... \$.....

POLICY NUMBER: .....

**Management Commission, fees, and disbursements**

On gross rent collected the sum of .....9.5.... % + GST

On maintenance work completed ..... 9. 5.. % + GST

On the payment of water rates/property rates .... \$5.00..... + GST

Property Letting Fee (at the start of each tenancy) ....Equalling one-week rent + GST....

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

**Water Rates:** Who is to pay the water bills?    Landlord                      or                      Tenants

**Pets (delete which is applicable)**

Pets are not acceptable    **OR**    the following pets are acceptable, subject to the following conditions:

Dogs (maximum .....) Breed .....

Cats (maximum .....) Cat Door installed/permitted / not permitted (delete one)

**Grounds:**

Who is responsible for the lawns    Landlord                          Tenants                     

Would you like us to manage the Hedges & trees for you    Yes / No

(Responsibility of maintaining the hedges and trees lies with you the Landlord)

**10-year battery Smoke alarms installed at the property and are in working conditions?**    yes /no /don't know

**Utilities / Heating**

Power / Heat pump / Fireplace (open / log burner) / Gas                      Bottled Gas on Property    Yes / No

If fireplace/pellet burner: date last cleaned ..... / ..... / .....

(Please note that to validate most insurance policies, we will arrange chimney sweeping and inspections annually

**Digital television status:** (delete one)

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

**INTERNET CABLING:**

Do you know what cabling is installed for this property? .....

FIBRE: ..... ADSL: ..... OTHER: .....

**Special Instructions:**

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.

.....  
Signature of the Owner (s)

Date:    /    /20