

THIS MANAGEMENT AGREEMENT made this ___ day of _____, 2020 _____.

B E T W E E N :

(Hereinafter called the "**Owner**")

and

SAGE LIVING MANAGEMENT INC.

(Hereinafter called the "**Manager**") **WHEREAS** the Owner is the owner of the lands and premises situated at
() ST., UNIT , WATERLOO, ON (hereinafter referred to as the "**Property**");

AND WHEREAS the Owner desires to engage the Manager on an exclusive basis for the management of the Property on the terms and conditions hereinafter more particularly set forth;

AND WHEREAS the parties hereto have agreed to enter into these presents (hereinafter referred to as the "Agreement");

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the premises, and the agreements herein contained, and of other good and valuable consideration, it is mutually declared, covenanted and agreed by and between the parties hereto as follows:

APPOINTMENT

- 1. The Owner engages the Manager on an exclusive basis as its property manager in respect of the Property in accordance with the terms and conditions of this Agreement.

ACCEPTANCE

- 2. The Manager accepts the engagement and agrees to operate and manage the Property in accordance with the terms of this Agreement to the extent that any matter relative to operation and management of the Property is not included in this Agreement the Owner may advise the Manager thereof, from time to time, in writing and the Manager will perform such further and other duties which are lawful and acceptable to the Manager upon such reasonable compensation as the parties may agree.

TERM OF AGREEMENT

- 3. This Agreement shall take effect and be binding upon the parties hereto commencing from September 1, 2021 and continue for a term of one (1) year from the commencement date.

The term of this Agreement shall automatically extend for an additional two (2) years unless either (a) the Owner gives notice in writing to the Manager within two (2) months following the commencement of the initial one-year term; or (b) the Manager gives notice in writing to the Owner within sixty (60) days prior to expiration of the initial one-year term.

TERMINATION

This Agreement may be terminated upon 60 days written notice at the option of either party for the following reasons;

- (i) in the event of a default by either party in the observance and performance of any of the obligations herein contained, a written notice of default (giving reasonable details) must be given to the other party and if such default or non-observance is not cured within thirty (30) days following the receipt of such notice by the other party then this Agreement may be terminated forthwith;
- (ii) in the event that the Manager or the Owner fails to remit any moneys due to be paid by one to the other and if such failure is not cured within ten (10) working days following the receipt of the other party's written request, then the other party may terminate this Agreement forthwith;
- (iii) in the event of bankruptcy or insolvency of either party or the termination of the corporate existence of either party this Agreement may be terminated forthwith;
- (iv) in the event that a Mortgagee, of the Owner, takes action against the Property, such as but not limited to Attornment of Rents or Notice of Sale, the Manager shall have the rights of termination at anytime immediately upon notice to the Owner;
- (v) in the event of the sale of the Property to an arms length third party, upon ninety (90) days notice.

On termination of this Agreement:

- (1) The Manager shall within ninety days thereafter render a final accounting to the Owner and pay over any balance in the Manager's account remaining at the credit of the Owner (less any amounts necessary to satisfy commitments made by the Manager to others prior to the date of termination).
- (2) The Manager shall immediately surrender to the Owner all property of the Owner and all documentation pertinent to the continuing operation of the Property, subject to the proviso that the Owner shall reimburse the Manager for any costs in connection with reproduction of documents and information which the

Manager, acting reasonably, is of the opinion that it should retain to support or verify its actions during the currency of this Agreement.

- (3) The Owner shall assume the obligations of any and all contracts which the Manager has bona fide made for the purpose of complying with its obligations under this Agreement or otherwise as requested by the Owner.

DUTIES

4. In operating and managing the Property on behalf of the Owner, the Manager hereby agrees:
 - (a) to collect and receive rent and other payments from the tenants of the Property as well as any other revenues recoverable by the Owner as and when the same become due and payable and to give receipts therefore;
 - (b) to terminate tenancies, provided that the Manager shall obtain the Owner's prior consent before terminating any tenancy, and to sign and to serve in the name of the Owner such notices as are deemed necessary for such termination by the Manager;
 - (c) to diligently pursue and take all reasonable measures at the Owner's expense to remedy all breaches of leases by Tenants including, but not limited to, non-payment of rent and, when it deems appropriate, to initiate court processes or arrange for them to be initiated and when expedient, to settle, compromise and release such actions or suits or reinstate such tenancies. In the event that legal assistance is needed in connection with the management of the Property, including but not limited to, the enforcement of leases, the costs of such legal assistance, including that of counsel, court costs, investigation and appeal costs, shall be borne by the Owner on a solicitor and his own client basis;
 - (d) to arrange for the supply, as may be required, of electricity, gas, fuel, water, telephone and other services and to arrange in such manner as may seem to be the more desirable for the effective and economical operation, maintenance and repair of the Property and its equipment (including, without limitation, any heating, ventilating, air-conditioning, plumbing and electrical equipment) as may be required by the Owner or deemed desirable by the Manager or so as to comply with the enforcement of any regulations and requirements of which the Manager is notified by the local board of health, police and fire departments and any other municipal, provincial and federal authorities having jurisdiction which affect the Property and, without limiting the generality of the foregoing, such arrangements may include those for janitor service and any other cleaning, including windows, building security, ice removal, landscaping, grounds maintenance, painting, redecoration, garbage storage, garbage removal, and such other services as the Manager may deem advisable, it additionally being agreed that the Manager may

from time to time purchase supplies required for the operation and maintenance of the Property;

- (e) to obtain the Owner's written or verbal approval for all contracts to be entered into in connection with the management of the Property unless and except where the approval of the Owner cannot be readily obtained and the expenditure is in the nature of an emergency;
- (f) no repairs or arrangements which are not budgeted and are over \$500.00 shall not be done without the Owner's approval and consent, provided that the Manager shall not be responsible for damages caused because of the inability to obtain the Owner's consent;
- (g) to pay as and when due out of the rents and revenues received as aforesaid the costs and expenses of operating and managing the Property, including, without limiting the generality of the foregoing, license fees (if any), public utility charges, bank and interest charges (if any) and the management fees as set out herein in paragraph 4. In the event that at any time anticipated disbursements shall be in excess of anticipated receipts, the Owner hereby agrees to pay such excess promptly upon the demand of the Manager before such anticipated disbursements are made;
- (h) to render monthly statements by the month in a form acceptable to the Owner and Manager of moneys received and disbursed, including management fees, for the preceding calendar month and to remit to the Owner all moneys received less the said disbursements and management fees as directed by the Owner from time to time;
- (i) to maintain and operate a separate account, at a Canadian Chartered Bank or Credit Union, for the receipt and disbursement of funds;
- (j) to keep records of receipts and disbursements affecting the Property, and the Owner shall at all reasonable times have access to such records as well as to all other books and records of the Manager in connection with the operation and management of the Property, and the Owner's accountants shall have the right at all reasonable times to audit such books and records and to take copies and extracts there from at the Owner's expense;
- (k) to supervise and regulate the conduct of the various tenants of the Property and the use of the common areas of the Property available to the public and the tenants in accordance with the provisions of all applicable leases;
- (l) to negotiate the renewal of existing leases and to advertise and secure new tenants for all premises in the Property which may become vacant during the currency of this Agreement; provided that all leases or renewals of leases shall be subject to the approval of the Owner and all costs associated thereto shall be to the account of the Landlord;

- (m) to pay on behalf of the Owner all advertising, legal fees, leasing fees and other incidental expenses in connection with hiring of staff and the leasing of space in the Property during the currency of this Agreement and all such costs shall be direct charges to the Property;
- (n) to generally do all such acts, matters and things as may be necessarily agreed upon between the parties from time to time in writing for and at such reasonable compensation as may be agreed;
- (o) to use its best efforts to arrange for the performance of all covenants, duties and obligations of the Owner pursuant to all leases which are in effect during the currency of this Agreement insofar as such performance is consistent with the terms of this Agreement and any subsequent instructions given from time to time by the Owner;
- (p) to arrange for the payment (subject to the availability of the Owner's funds) of such debt, service and municipal tax obligations as may be requested by the Owner;
- (q) to perform any necessary services in connection with the repair of any building or replacement of property after loss or damage by fire or other casualty, at a remuneration to be paid by the Owner, the amount of which to be determined by the Manager having regard to the extent and value of the services rendered and to be approved by the Owner before any disbursement is made, and to the extent that the Manager performs any such services or incurs any disbursements prior to approval the Manager shall be paid reasonable compensation for such services and/or disbursements; and

OWNER'S COVENANTS

5. The Owner hereby agrees with the Manager, as follows:

- (a) to pay the Manager a minimum fee per month of \$0_____plus HST; in an instance where the property revenue is too low or the Property is vacant.
- (b) to pay to the Manager additional fees as set out in the Manager's rate sheet (attached to this agreement as SCHEDULE A) and as same may be amended from time to time and agreed to between Manager and Owner;
- (c) to carry, at the Owner's expense, public liability insurance adequate to protect the interests of the parties hereto, which policies shall be written so as to protect the Manager in the same manner and to the same extent that they protect the Owner and the Owner shall provide the Manager with certificates or copies of policies evidencing such insurance coverage.
- (d) The Owner agrees to reimburse the Manager for all miscellaneous disbursements directly related to the operating of the Property that are not collectable from the Tenants. This shall include but not be restricted to items such as bank charges,

cheque costs, photocopying, courier expense, outside accounting fees, long distance phone charges, costs of Tenant distress, termination, postage expense and all advertising costs for vacant space for lease in a monthly maximum amount as agreed upon. This, however, shall specifically exclude the Managers expenses such as food, entertainment and the Managers employee payroll costs.

- (e) to provide a list of the authorized representatives of the Owner;
- (f) to provide to the Manager any plans, drawings, specifications and architectural or engineering assistance which may be necessary or desirable to enable the Manager to discharge its duties pursuant to this Agreement;
- (g) to grant the Manager the sole and exclusive right to place any rental or management signs on or about the Property;
- (h) not to contact or communicate directly with tenants of the Property during the term of this Agreement without the prior written consent of the Manager, which consent may be unreasonably withheld expect where such communication is required by law;
- (i) to provide the Manager the following documentation:
 - (1) all existing tenant leases including any memorandums, agreements, or other documents affecting any such lease;
 - (2) particulars and copies of any and all construction liens, legal proceedings and insurance policies affecting the Property or of which the Owner is aware relative to any tenant at the Property;
 - (3) copies of any and all mortgages or other third party documents which impose any standard or duty at any level which the Manager ought to be aware of in the performance of its duties provided that if any such standard substantially exceeds those reasonably required under this agreement the Manager shall be entitled to additional reasonable compensation therefore;
 - (4) copies of or access to all prior accounting records relative to the Property including all journals, receipts and ledgers relative to all money received and disbursed respecting the Property;
 - (5) all such other documentation which might reasonably be expected to assist the Manager in management of the Property as required by this agreement;
 - (6) any keys, combinations or whereabouts of locks, locking devices or security systems.

- (j) The Owner irrevocably authorizes and appoints the Manager to act on its behalf with respect to any of the Owner's rights and remedies provided in the Residential Tenancies Act, 2006 (the "Act") and the regulations made thereunder as amended from time to time (the "Regulations"). The Manager is irrevocably authorized to pursue any of the remedies, claims or otherwise benefits provided under the Act and/or the Regulations as a representative of the Owner.
- (1) The Manager may exercise any power granted under the Act and/or Regulations to resolve any tenant complaints and/or disputes including but not limited to evictions and engaging in an alternative dispute resolution process.
 - (2) The Manager may take any action to address tenant's complaints under the Act or the Regulations and to resolve those at the expense of the Owner. The Owner shall reimburse the Manager within 15 calendar days from the date of invoicing the Owner the full expenditure made in connection therewith.
 - (3) The Owner specifically authorizes and appoints the Manager as its agent for the purpose of issuing termination and eviction notices ending the tenancy on behalf of the Owner. Any tenancy termination notice issued and signed by the Manager shall be construed as signed by the Owner itself.

GOVERNMENTAL AUTHORITY

6. In the event that any governmental agency, authority, or department should order the repair, alteration or removal of any structure or matter in the Property, and if, after written notice of the same has been given to the Owner by such body or by the Manager, the Owner fails to authorize the Manager or others to make such repairs, alterations or removal, the Manager shall be released from any responsibility in connection therewith and the Owner shall be answerable to such body for any and all penalties and fines whatsoever imposed because of such failures on the Owner's part, and furthermore the Owner hereby agrees to indemnify and save harmless the Manager from any and all costs, expenses, penalties, fines or damages incurred by the Manager in conjunction with the said governmental order.

NOTICES

7. Any notice, election, demand or request which may be, or which is required to be, given by any party hereto to any other party hereto shall be in writing, and may be given by delivering the same personally to some responsible officer of the party to whom the same is to be given, or may be transmitted by electronic mail, such as facsimile, with the date of the transmission being the date of receipt, so long as the transmission is followed up in regular mail, or may be given by mailing the same by pre-paid registered mail at their respective addresses as set out below, or such other respective addresses as the parties may from time to time designate by notice in writing given pursuant to this paragraph;

and it is expressly agreed that any such notice, election, demand or request, if mailed as aforesaid, shall be deemed to have been received by the addressee or the addressee thereof on the third business day following the date when the same was delivered into the custody Canada Post, provided that in the event of a postal strike during a notice period- - then only personal delivery as set out herein shall satisfy the notice requirement. All notices given under or pursuant to this Agreement shall, if intended for the Owner to be addressed to:

if to the Owner: (see Owner contact information on signature page)

if to the Manager:

SAGE LIVING MANAGEMENT INC.
44 Peter Street,
St. Clements, ON N0B 2M0
Fax: 519-954-9208
Attention: Eva Rygielski

ASSIGNMENT

8. The benefit of the provisions of this Agreement shall not be assignable, transferable, or otherwise chargeable by either party without the consent in writing of the other party, but subject to the foregoing, this Agreement shall extend to, enure to the benefit of, and be binding upon the parties hereto and each of their respective successors and permitted assigns. However, the parties hereto acknowledge and agree that the Manager has the right to assign certain managerial duties as specified herein, either in whole or in part, to a third party Sub-management Company so long as the Manager as specified herein maintains a direct relationship with the sub-manager. The Owner also acknowledges and agrees to that the daily management functions and duties of the Property may operate under a separate entity other than SAGE LIVING MANAGEMENT INC. as at the sole discretion of the Manager.

The parties hereto, hereby acknowledge and agree that this Agreement may be assigned by the owner to any mortgagee who claims to have a priority right over the Property by way of a mortgage granted in their favour. The mortgagee has the rights under the provisions of his remedies of default to assume this Agreement as if it were the Owner of the Property. In the event that this happens, the Manager has the right to make an election at that time to terminate forthwith this Agreement in its sole and unfettered discretion or maintain this Agreement and manage the Property on behalf of the mortgagee in possession.

RESTRICTIONS

9. The Manager shall not accept instructions as to the management of the Property from any person other than the Owner or its properly authorized agents or employees.

SIGNING AUTHORITY

10. The Owner does hereby constitute and appoint the Manager as the attorney of the Owner to sign all offers, agreements to lease, leases, amendments to lease and all other contracts and documents in connection with the Property, as permitted by this Agreement and at all material times the Manager shall be deemed and agreed to be the agent of the Owner, and not acting as a principal in the performance of any duty relative to the Property.

REGISTRATION

11. The Owner or Manager shall not be entitled to register a notice of this Agreement against title to the Property or any part thereof.

ENTIRE AGREEMENT

12. This Agreement embodies the entire agreement of the parties with regard 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.

PAYMENT OF TAXES

13. Any payment required to be made by the Owner to the Manager pursuant to this Agreement shall be subject to the Owner additionally paying any Harmonized Sales Tax (HST) or other tax payable thereon or imposed by any government having jurisdiction.

PROPERTY/PREMISES/BUILDING

In this Agreement "Property", "premises", and "building" are interchangeable unless the context specifically excludes any such interpretation.

MANAGER NOT A GUARANTOR

14. The Manager does not warrant that the Property or any part will be leased during the currency of this Agreement nor that any profits will be enjoyed by the Owner. The Manager is not a guarantor of any payment required to be made by any other party to the Owner.

LIMITATION ON MANAGER'S LIABILITY

15. Notwithstanding anything contained in this Agreement, the Manager shall not be liable to the Owner for any arrears in the collection of rent or other payments due from tenants or anyone with respect to the operation of the Property or as a result of any damage or loss affecting the Property or the operation of its equipment, or for any error in judgement or for anything which it may do or refrain from doing unless any resulting damage, loss, injury or liability has been caused by the negligence of the Manager; nor shall the Manager be liable to the Owner for the 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 cause, a strike or lock out, a civil commotion or

disturbance, an act of God, or any other act or cause which is beyond the reasonable control of the Manager or those for whom it is in law responsible.

ACCOUNTING

16. The Manager shall keep and maintain at a location designated from time to time full, detailed and proper records regarding all financial transactions involved in the management of the building and shall forward it to the Owner, not more than monthly, as requested by the Owner including a statement of receipts and disbursements showing all rental and other monies collected and receivable and all disbursements made during the preceding month. All such records shall be made available to the Owner and the Owner's auditor's or other designated representatives at reasonable times whenever requested.

MANAGEMENT OF MONIES HELD IN TRUST

17. The Manager shall be entitled to and have the right to disburse from the monies held from time to time by it in trust for the Owner all costs and expenses incurred in providing the services agreed upon in this Agreement including the Manager's remuneration. In the event that the amount of costs and expenses incurred by the Manager in the management of the Property exceed the amount held in trust by the Manager for the Owner, the Manager shall thereupon furnish the Owner with an accounting of same and the Owner shall be under an obligation to immediately furnish the Manager with sufficient funds to pay the costs and expenses which it has so incurred on behalf of the Owner.

INDEMNITY

18. The Owner shall, during and after the termination of this Agreement, indemnify and save the Manager completely free and harmless of and from any and all damages or injuries to persons or property, or claims, actions, obligations, liabilities, costs, expenses and fees by reason of any cause whatsoever (except due to the negligence of the Manager) related to the Manager carrying out the provisions of this Agreement, acting on the subsequent directions or requests of the Owner, or anything reasonably done or omitted to be done by the Manager relative to the Property.

[signature page to follow]

IN WITNESS WHEREOF, the parties hereto have signed this Agreement this ___ day of _____, 2020.

SAGE LIVING MANAGEMENT INC. _____ (Owner)

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: Owner

I have authority to bind the corporation

I have authority to bind the corporation

OWNER CONTACT INFORMATION (to be completed by Owner upon signing above):

UNIT:

Mailing address:

Email

Phones(s): _____

***Be sure to include a copy of a void cheque for your monthly rent transfers.*

<p>Office Use Only: Date received (Pg 1 & 11): _____ Void cheque received: _____ Void cheque passed to finance: _____ Contact info updated in Sage DB: _____</p>

SCHEDULE A

Rates for Sage Condos 2020-2021

*All rates subject to HST

Leasing:	Rate	
Leasing fee (for leases signed for September 2017 and after)	100%	of gross rent for one month
*This leasing fee is charged <u>annually</u> at the time of renewal or when the new tenant is signed.	*	
Management:		
Management Fee: BASIC PROPERTY MANAGEMENT PACKAGE	\$0	FREE with leasing services
Marketing Fee	\$500	
Cancellation of Management	*\$950	*\$950 fee inclusive of both the above 'Marketing Fee' and below 'Administrative Fee.' This fee would not be in addition to these two fees, rather, this fee is the sum of both mentioned fees. HST will be applied to the cost of Management Cancellation
*This cancellation fee applies if no new lease has been secured for the coming rental term	*	
Cancellation of Management	100%	Of gross rent for one month plus \$500 marketing fee
*This cancellation fee applies if a new lease has been secured for the coming rental term	*	
Regular On-going Fees as Required:		
Handyman Services	\$60	Per hour + materials. A minimum expense of 1 hour of labour expected for any repair
Emergency after hours handyman services	\$80.00	plus reg. hourly rate + materials
Hourly rate for additional administrative work outside the regular scope of management fees	\$35.00	per hour
Administrative fee if owner requests to cancel management agreement for any reason at any time	\$450	Cost Per Tenant * Cancellation of Management Agreement does not cancel Lease Agreement. Manager does not guarantee tenant can be relocated and any additional costs i.e. moving costs, compensation, etc. would be additional. This fee is in addition to regular leasing fee.

Regular On-going Fees as Required:		
Transportation / Relocation of items within the suite	\$15-\$50	Cost of transporting or relocating items / objects from the suite to a different location. May include but not limited to such items as furniture (broken or otherwise), equipment belonging to the tenant and/or Suite Owner.
Hourly rate if necessary to go to Landlord Tenant Board (this includes any time needed for preparation for the hearing) and for administrative and accounting work as required	\$45.00	per hour
Paralegal representation-dependent on length/complexity of issue	\$150 and up	
Standard tenant Switchover-Cleaning and small garbage removal	Quoted separately	per unit

Sage Living Management Inc. Parking Addendum

Owner name: _____

Corporate Number (if applicable): _____

Property: _____

Parking Spot #: _____

Legal Parking # (if applicable): _____

Landlord Signature: _____

By completing this form, the landlord agrees to retain Sage Living Management Inc. to manage the above listed parking space. The landlord acknowledges that a parking management fee of one month's rent will be deducted from the total sum provided to the owner upon completion of agreement.

List of Authorized Representatives

By my signature on this statement, I _____ authorize the following individuals to receive information for all matters relating to my property located at _____, unit number _____.

Name: _____

Title: _____

Email: _____

Phone: _____

Name: _____

Title: _____

Email: _____

Phone: _____

Name: _____

Title: _____

Email: _____

Phone: _____

Property: _____

Owner Name: _____

Owner Signature: _____