

## CONDOMINIUM MANAGEMENT AGREEMENT

THIS AGREEMENT made effective as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_

**BETWEEN:**

**THE OWNERS: CONDOMINIUM PLAN/CORPORATION NO.**

A Corporation duly constituted under the  
Condominium Property Act of Alberta

(Hereinafter called "The Corporation")

**OF THE FIRST PART**

AND

**ULTIMATE PROPERTY MANAGEMENT INC.**

Having an office at 106 – 811 Manning Road N.E.  
Calgary, Alberta T2E 7L4

(Hereinafter called "The Manager")

**OF THE SECOND PART**

**WHEREAS** a complex of ( ) residential condominium units or dwellings and related facilities and common property and other real and personal property or assets of The Corporation associated herewith, known as \_\_\_\_\_ (hereinafter called the "The Condominium"), has been constructed on those certain lands and premises described as :

**The Owners: Condominium Plan / Condominium Corporation No.** including the  
Units and common property comprised therein  
(Hereinafter referred to as "the Said Lands")

**AND WHEREAS** The Corporation is a condominium within the meaning of The Condominium Property Act of Alberta, R.S.A. 2000, Chapter C-22 and Regulations, as amended or any act passed in substitution or replacement thereof (hereinafter called the "Act");

**AND WHEREAS** The Corporation, under the provisions of its by-laws, has the authority to engage a management agent on behalf of The Corporation to manage The Condominium;

**AND WHEREAS** The Corporation is responsible for the control, management, and administration of the common property associated with a complex of ( ) residential condominium units or dwellings comprised within **Condominium Plan/Corporation No.** and located at \_\_\_\_\_, Calgary, Alberta and related Facilities and the personal property or assets of the Corporation associated therewith;

**AND WHEREAS** The Corporation desires to employ The Manager to manage The Condominium, and the Manager desires to be employed to manage The Condominium for the remuneration and SUBJECT TO the terms and conditions hereinafter set forth.

**NOW THEREFORE THIS AGREEMENT WITNESSETH** that in consideration of the mutual covenants and agreements herein contained, it is agreed by and between the parties as follows:

## 1. AGREEMENT

The Corporation hereby employs the Manager exclusively to manage the Condominium for a period of one year from the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ to the \_\_\_\_ of \_\_\_\_\_, \_\_\_\_\_ and thereafter for yearly periods from time to time unless on or before sixty (60) days prior to the expiration of the initial term, or any renewal term, either party hereto shall notify the other IN WRITING that it elects to terminate this Agreement at the end of the said period, subject to the termination provisions hereinafter provided in clause 5.

## 2. MANAGER ACKNOWLEDGEMENTS AND COVENANTS

The Manager, by accepting such appointment, agrees to manage the property and assets on behalf of the Corporation during the term of the Agreement and any extension thereof, in a faithful, diligent and honest manner, subject to the overall control and direction of the Board and for the purpose thereof covenants and agrees to:

### a) CONTRACTS

enter into such contracts and agreements in the name of the Corporation upon proof of workers compensation if required and liability insurance and to otherwise act on its behalf as may be necessary in the performance of such duties;

### b) ENFORCEMENT

enforce the terms of the Act, by-laws, rules and regulations, as well as any and all amendments thereto which presently exist or which may hereafter be made and of which the Manager is notified in writing by the Board, further take whatever action that may be properly directed by the Board in writing to enforce the above from time to time;

### c) INFORM OWNERS

forthwith, communicate in writing to all owners the text and import of any further by-laws, rules, and/or regulations or amendments thereto;

### d) ADVISE BOARD

advise and consult with the Board with respect to any further by-laws, rules and regulations which in the opinion of the Manager are to be established to further harmonious and satisfactory operation of the property for the common benefit of the owners.

### e) OWNER'S REGISTER

prepare and keep current the Corporation owner's and mortgagee's register;

### f) COLLECTION OF MAINTENANCE FEES

utilize appropriate collection procedures and receive monies payable by the owners or other sources under the by-laws, on behalf of the Corporation, and to deposit same in a separate trust account at a Canadian chartered bank or trust company that is covered by the Canada Deposit Insurance Corporation. All properly incurred legal fees incurred in the collection of outstanding common expenses shall not be borne initially by the Manager. All such monies collected shall thereafter be administered by the Manager subject to the overall direction and control of the Board of Directors and be used to:

- (i) make payments of all accounts properly incurred by or on behalf of the Corporation. The manager is granted co-signing authority on the Corporation Account with one Board signature;
- (ii) arrange and pay for insurance in accordance with the provisions of the by-laws and of the amounts directed by the Board;
- (iii) repair and maintain or cause to be so repaired and maintained those parts of the common elements or units which require repair and maintenance by the Corporation in accordance with the provisions of the by-laws and rules and without limiting the generality of the foregoing: such repair and maintenance shall include all lawns and landscaped areas, snow removal, the keeping of the common elements in a neat and tidy condition by the removal of litter therefrom, keeping all electrical wiring, circuits and lighting fixtures in the common elements in good working order and providing all necessary light bulbs, provide the removal and disposal of garbage and to promptly and efficiently carry out the forgoing:

**g) INSURANCE**

arrange to provide to the Board for it's approval quotations on all insurance policies coming due from time to time in amounts to be determined by the Board and arranging for insurance coverage and any appraisals in connection therewith which may be required by the Corporation pursuant to the Act and by-laws;

**h) BOOKKEEPING**

maintain and keep current full and proper records of accounts of the financial transactions involved in the management of the property and within 30 days to the Board of Directors monthly statements of income and expenditures, showing comparisons to the budgeted figures for the year, assets and liabilities with respect thereto, and keep such accounts open for inspection by the Board of Directors, owners, and other persons so entitled at all reasonable times;

**i) OWNER' STATEMENT**

upon the written request by an owner in respect to his unit, promptly send a statement to that owner showing, as of the date of the last monthly financial statement, the amount of any unpaid assessment then due, interest thereon, and the amount owing on the owner's contribution towards the common expenses and reserve fund;

**j) TAX RETURNS**

provide necessary documentation to the auditor to file with Revenue Canada Taxation the appropriate tax returns as required by any applicable statutes;

**k) ARRANGING SERVICES AND REPAIRS**

arrange for the supply of electricity, gas, water, telephone and other services and arrange the effective and economical operation, maintenance, and repair of the property and it's equipment as may be required by the Corporation and to comply with the enforcement of any regulation and requirement of which the Manager is notified by the local board of Health, Police and Fire Department, any other municipal, provincial or federal authorities in the jurisdiction which affects the property and, without limiting the generality of the foregoing, such arrangements shall include (where applicable to the property) removal of litter and disposal of waste, snow and ice removal, landscaping and ground maintenance, keeping of electrical wiring circuits and lighting fixtures in the common elements in good working order and arranging the necessary light bulbs, exterior painting, alterations and

any other services necessary to keep the common elements in a neat, tidy and functional condition;

**l) APPROVAL FOR EXPENSES**

generally do, perform and contract (with the Board's prior approval) for all things desirable and/or necessary for the proper and efficient management of the property (including the giving of proper attention to any complaint). To perform any other act whatsoever in or about the property to carry out the intent of the Agreement, provided, however that the Manager shall not authorize any work, repairs, alterations or redecoration estimated to cost in excess of One Thousand Dollars (\$1,000.00) for any one (1) item without first obtaining the Corporation's approval to proceed with such work, except for monthly or recurring operating charges as budgeted for and except that if any such work is urgently required to be done and failure to do such work in the Manager's opinion, could result in a hazardous situation which could cause personal injury or damage to the property or its equipment or contents, or which could impair the value of the owners investment. If failure to do such work might expose either the Corporation or the Manager or both, the imposition of penalties, fines, imprisonment or any other liability, the Manager is hereby authorized to proceed with such work that he, in his absolute discretion, reasonably determines to be urgently necessary for the protection and preservation of the property or it's equipment or contents or the owner's investment therein or to protect the Corporation or the Manager from exposure to fines, penalties, imprisonment or any other liability;

**m) SITE VISITS**

make regular site visits of the property and to determine what actions, if any, are advisable or necessary to preserve or improve the appearance, safety or structural integrity of the property;

**n) BOARD MEETINGS**

Meet with the Board of Directors as requested and be available for attendance at board meetings (maximum of two (2) hours each) plus the AGM. Additional meetings or meeting time will be charged @ \$100.00/hr.

**o) OWNERS MEETINGS**

at the request of the Board, schedule and arrange facilities for all annual, general, or special meetings of the members of the Corporation and deliver to the members of the Corporation such notices and other information as are required in connection with the holding of such meetings and to prepare duplicate notices of meetings and other information in sufficient quantity for distribution to all persons entitled to receive same. The manager will attend all annual, general or special meetings of the members of the Corporation;

**p) CORRESPONDENCE**

prepare all announcements, correspondence, notices, or any other material and distribute same in the manner described to those persons entitled to receive them as may be directed from time to time by the Board of Directors; and

**q) INFORM BOARD**

inform the Board with respect to:

- (i) investments beneficial to the Corporation and to make such investment as the Board may direct;

- (ii) preventive maintenance programs;
- (iii) planning and calculation of reserve funds;
- (iv) energy conservation programs;
- (v) property tax; and
- (vi) statutory changes with respect to condominiums.

**r) BUDGET**

in the course of each year during the term of this contract, but in any event at least 6 weeks before the then current fiscal year, the manager shall furnish the Board in writing the estimated budget for the following year setting forth by category the Manager's best estimate based upon quotations where possible, for all expenses of the operation of the property for the coming year, including, without limiting the generality of the foregoing, any taxes payable by the Corporation insurance premiums, water, gas and electrical rates, and costs of all repairs, renewals, and maintenance of the property and including capital replacement costs. Upon request of the Board or whenever in the opinion of the Manager any change from the expenditures forecast in the annual budget makes it desirable to do so, the Manager will submit to the Board a supplementary budget covering the operating expenses of the property for the then remaining portion of the current fiscal Year. The Manager will at all times hold himself available for consultation with the Board for the purpose of establishing or revising the common expenses to be paid by the owners under the provisions of the by-laws.

**s) EMERGENCY**

the Manager will at all times keep the Board and all owners advised of the telephone number or numbers at which an agent of the Manager may be called at any time during normal business hours in respect of any emergency or of any infraction of the declaration, by-laws or rules and regulations or at any time during the day or night in respect of any emergency at the property and the Manager will make arrangements to deal promptly with such infractions and immediately when any emergency arising in connection with the maintenance and operation of the property. The Manager shall deal in the first instance with major emergencies and infractions and shall forthwith report to the Board any major emergency or any persistent, flagrant or serious violation of the by-laws or rules and regulations. It is understood and agreed by the parties hereto that the Manager shall in it's discretion determine whether or not an emergency exists and whether or not such emergency is of a minor or major nature, and the Manager will make available to the Corporation emergency service, twenty-four (24) hours a day, Seven (7) days per week.

**t) CERTIFICATE OF INSURANCE**

the Manager shall during the term of this Agreement provide the Corporation with a certificate of Insurance, from the insurer or its agent certifying that the Manager is maintaining adequate liability and blanket fidelity insurance for the purpose of indemnifying the Corporation pursuant to this Agreement, which certificate shall include an undertaking that the insurer will provide the Corporation with at least sixty (60) days prior written notice of cancellation or any material change in the provisions of such insurance policy.

**3. MANAGEMENT COMPENSATION**

**The Corporation shall:**

**a) Fees**

pay the Manager at the first of each month, for it's managerial services hereunder during the term of this Agreement a fee equal to the sum of \_\_\_\_\_ (\$ ) per month free and clear of all costs incurred by services provided by third parties in the operation of the premises. This fee does not include GST or other applicable taxes.

**b) Loans**

reimburse the Manager promptly for any monies which the Manager may elect to advance, as the Board of Directors in writing may request from time to time, to the account of the Corporation provided that nothing herein contained shall be constructed as to obligate the Manager to make any such advance;

**The Corporation Further Agrees:**

- a) save and except where there is no insurance coverage as set forth herein, to indemnify and save the Manager harmless from and against all claims demands, actions causes or actions and suits in connection with the Condominium and from liability for damage to property and injuries or the death of any owner or any officer, agent or employee of the corporation or other person whosoever and to carry at its own expense public liability and property damage insurance naming the Corporation and the Manager as insureds, which insurance shall be in form, substance and in amounts satisfactory to the Manager and the Corporation and to furnish to the Manager certificates evidencing the existence of such insurance upon request. Insurance coverage which complies with the Act and By-Laws shall be deemed to be satisfactory insurance.
- b) to pay all expenses incurred by the Manager including without limitation, legal fees and disbursements on a solicitor-client basis for counsel employed to represent the Manager or Corporation in any proceeding or suit involving an alleged violation by the Corporation Manager as its agent, or any one or more of them, of any provision, statute, ordinance, law or regulation including without restricting the generality of the foregoing, any law relating to environmental protection, fair housing or fair employment (unless in either case the Manager is finally adjudged to have personally and not in a representative capacity violated such provision, statute, ordinance, law or regulation), but nothing herein contained shall require the Manager to employ counsel to represent the Corporation in any such proceeding or suit, nor prevent the Corporation from seeking indemnity from the Manager.
- c) to provide the Manager with all documents and records available to the Corporation which may be required by the Manager properly to manage and operate the Condominium and to perform its duties hereunder. The Manager acknowledges that it has received and is aware of the provisions of the by-laws of the Corporation and the Act.
- d) to provide the Manager with a registered copy of the by-laws of the Corporation and to notify the Manager from time to time of any amendments or additions thereto.
- e) to grant full signing authority to the manager provided all receipts are deposited in a bank account in the Corporation's name.

**NOTWITHSTANDING** the foregoing, the Corporation shall not be obliged to make any payment to or reimburse the manager for any cost or expense incurred by the Manager while acting outside of the course of its employment or in conducting or operating its own business offices.

#### **4. AFFILIATED COMPANIES**

The Manager may not engage any parent or subsidiary corporation or any person, firm, or Corporation associated, affiliated or otherwise connected with it (hereinafter called "Affiliate") to perform any work or services for the Corporation without first obtaining the Board's authority in writing to permit the engagement of such Affiliate.

#### **5. TERMINATION**

Notwithstanding the other provisions hereof, this Agreement shall terminate upon any of the following events:

- a) the insolvency or bankruptcy of the Manager or upon the Manager taking steps to wind up its business voluntarily or otherwise.
- b) on termination of the Condominium status of any building within the Condominium plan as it presently exists or as it may be amended.
- c) if the Manager is insubordinate, careless or negligent in performing its duties hereunder.
- d) if the Manager shall be in breach of trust in respect of any monies of the Corporation.
- e) in the event of any third party complaint, defect, failure or omission on the part of the Manager or any breach or default by the Manager in respect of this Agreement, the Corporation will give the Manager Sixty (60) days written notice to cure such complaint, defect, failure, omission, breach or default and provide that such complaint defect, failure, omission, breach or default is within the control of the Manager and all reasonable attempts have been made to cure the same, should the same not be cured or dealt with to the reasonable satisfaction of the Corporation within such time, then, upon further written notice given by the Corporation to the Manager, this Agreement shall terminate on the last day of the month during which such further notice was given.
- (f) the Manager may terminate this Agreement upon giving sixty (30) days notice in writing to the Corporation to that effect.

#### **6. MANAGEMENT'S RESPONSIBILITIES**

Upon termination of this Agreement the Manager on Termination shall within sixty (60) days:

- a) render a final accounting to the Corporation and pay over any monies due to the Corporation;
- b) surrender to the Corporation all contracts, records, files and other information or documents which may be pertinent to the continuing operation of the property;
- c) surrender all post-dated cheques from unit owners or rental units together with their ledger card and addresses and all the keys to the property immediately upon termination of this Agreement; and
- d) do everything in his power for the smooth transfer of management.

#### **7. NOTICES**

All notices required or permitted to be given hereunder shall be sufficiently given:

- a) to the Corporation if signed by or on behalf of the parties giving notice hereunder, and delivered or mailed out by prepaid registered post to the Corporation at the address for service set out in the by-laws or at such other address as the Corporation may from time to time designate by written notice pursuant hereto;

- b) to the Manager if signed by or on behalf of the parties giving notice hereunder, and delivered or mailed by prepaid registered post to the Manager. Or addressed to the Corporation: **THE OWNERS: CONDOMINIUM CORPORATION/PLAN NO.** .
- c) all such notices shall be deemed to have been received on the date of delivery or on the fifth business day following the date of such mailing as the case may be.

**8. INDEMNIFICATION**

The Manager shall, during and after the termination of the agreement, indemnify and save the Corporation completely free and harmless 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 if the Management has not carried out the provisions of the Agreement or if caused as a result of the negligence, illegal, or dishonest act by the Manager or any of his employees.

**9. NON-REGISTRATION OF AGREEMENT**

The manager agrees not to register or cause to be registered this Agreement or notice thereof against the title to any unit or any part of the common elements of the Corporation.

**10. GENDER**

Where applicable, or where herein by the context, all references herein in the singular shall be construed to include the plural and references to masculine shall be construed to include the feminine and the neuter gender.

**11. SEVERABILITY**

If any portion of this Agreement shall for any reason be declared invalid or unenforceable, the validity of any of the remaining portions of this Agreement shall not thereby be affected, and such remaining portion shall remain in full force and effect as if this Agreement had been executed with such invalid portion eliminated, and it is hereby declared the intention of the parties hereto that they would have executed the remaining portion of this Agreement without including therein any such part thereof which might be declared invalid.

**12. SUCCESSORS AND ASSIGNS**

This Agreement shall be binding upon and endure to the benefit of the parties hereto and shall not be assigned by either party without written consent of the other parties.

**13. GOVERNING LAWS**

This Agreement shall be constructed in accordance with the laws of the Province of Alberta.

**IN WITNESS WHEREOF** the parties hereto have affixed their corporate seals under the hands of their proper officers in that behalf.

Per: \_\_\_\_\_  
Board Member  
Condominium Corporation/Plan No.

Per: \_\_\_\_\_  
Ultimate Property Management Inc.