

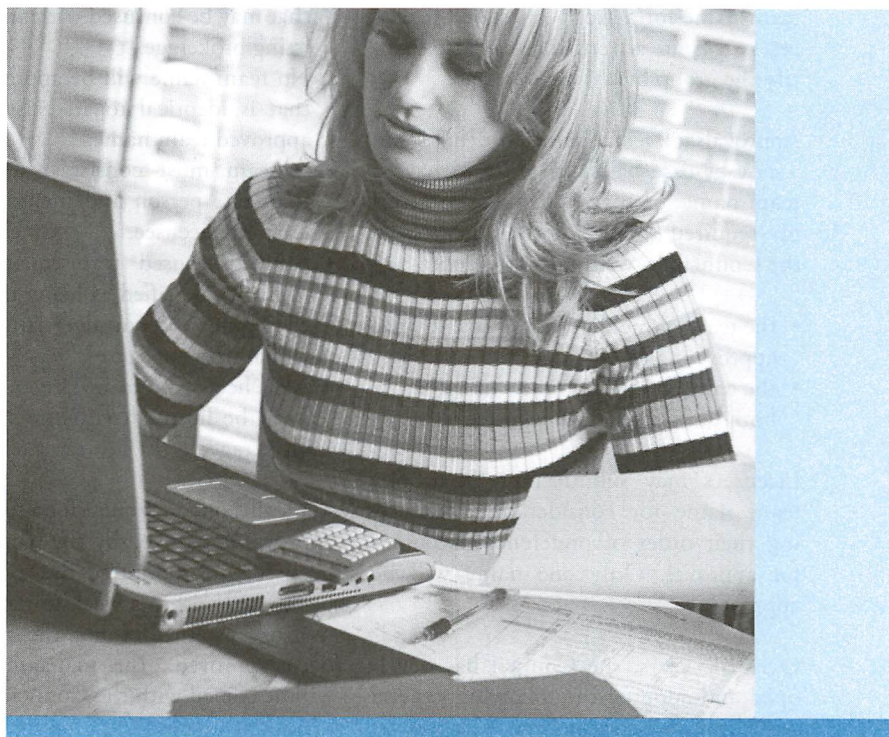
# Revised Disclosure of Benefits Form for Rental and Strata Property Managers

The Council has updated its Disclosure of Benefits Form for Rental and Strata Property Managers. As licensees are aware, under section 5-12 of the Council Rules, licensees engaged in rental property management or strata management must disclose to the licensee's principal and to the related brokerage certain benefits that the rental property manager or strata manager anticipates receiving as a result of the management of the rental property or the strata corporation. The disclosure must be made before the benefit is accepted.

The revised Disclosure of Benefits Form can be found on the "Forms & Fees" page on the Council's website at [www.recbc.ca](http://www.recbc.ca). It is important to note that licensees are not required to use the Council's Disclosure of Benefits Form—Licensees are free to use whatever form of disclosure they choose, so long as it satisfies the disclosure requirements of section 5-12 of the Council Rules.

Disclosure is required if the rental property manager or the strata manager anticipates receiving, either directly or indirectly, a benefit from expenditures made by or on behalf of a principal to whom the rental property or strata management services are provided. Disclosure must also be made if it is anticipated that an associate of the licensee will receive a benefit as a result of an expenditure on behalf of the principal.

A benefit from an expenditure may be an administration fee that the manager charges each time the manager writes a cheque on behalf of his or her principal. A benefit would also arise, and must be disclosed, if the manager retained a person or corporation that meets the definition of associate, to perform services for the principal. Thus, for example, if a manager engaged a company in which the manager, or his or her spouse or family partner, owned not less than 5% of



the capital to perform work for the principal, the manager would be required to disclose the benefit to the principal and to the related brokerage before the associated company was engaged.

The disclosure of a benefit must be in writing and must be separate from the service agreement or any other agreement under which real estate services are provided. This means that it is not sufficient for a rental property manager or strata manager to include reference to an administration fee or the fact that an associated company will provide services to the property owner or strata corporation in the service agreement. Where a benefit is to be received from an expenditure, the disclosure must be in a separate written document.

Licensees with questions can contact the Council at 604-683-9664, toll-free 1-877-683-9664 or email [info@recbc.ca](mailto:info@recbc.ca). ■

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