

Presales Workshop

PRESALES 601 - SETTING UP YOUR PRESALE BUYERS FOR
RENTAL SUCCESS

Presented By:
Ida Choi & Sherry Chen

Presales Workshop

- Self-directed PDP credits to renew your licence
- Variety of Presale topics:

Presales 101 - Introduction to Presale

Presales 102 - Getting a Mortgage

Presales 103 - Residential Tenancy

Presales 201 - Qualifying your Buyers for Presale

Presales 202 - Taxes & Law

Presales 203 - Presale Contracts & Disclosure Statements

Presales 301 - Building Construction

Presales 302 - Foreign Buyers/Seller

Presales 303 - Social Media: Instagram

Presales 401 - Mastering the *Surrey* Market

Presales 402 - PREC

Presales 403 - *Fraser Mills* Learning Session “Debut”

Presales 501 - Real Estate Teams & Presale

Presales 502 - Masterplanned Communities

Presales 503 - Developer Walk-Throughs & Orientation

Presales 601 - Setting up Your Presale Buyers for Rental Success

Presales 602 - Developer’s Insights on Marketing and Closing Deals



Sherry Chen Presales Instructor



@realtor.sherrychen

- Started in Presale real estate in 2007
- Specialized in launching new projects, training sales teams, generating marketing campaigns
- Worked for many of the top developers in Vancouver (Bosa Properties, Anthem Properties, Beedie Living, Cressey Development, Mosaic, Townline, etc)
- Started teaching Presales Workshop in 2021



Ida Choi Director of Property Management - RIFO BC



- Started Property Management in 2015
- Specialized in condos & townhouses
- Manage properties throughout Burnaby, Vancouver, Richmond, Tri-Cities
- Knowledge & Experience with RTB Arbitration



WhatsApp contact



Today's Discussion Topics



- Why Buyers are considering rental?

(How does the BC Flipping Tax affect investor buyers?)

- What are renters looking for?
- How to prep a new condo for rent?

(When, where, why, what, how?)

- How to qualify a renter?
- What's the cost to hiring a Professional Property Manager?
- How does rental affect a home listed for sale?



Why Buyers are considering **Rental**



Why Buyers are considering **Rental**



BC Gov Website

- As of Jan 1st 2025, the **BC Home Flipping Tax** begins
- The BC home flipping tax applies to the income you earn from selling a property in British Columbia (including presale contracts) if you owned the property for less than 730 days.
- The tax rate is 20 percent of income earned from a property sold within 365 days, and the rate decreases over the next 365 days. At 730 days, the tax no longer applies.
- The BC home flipping tax is separate and distinct from the federal property flipping rules

Why Buyers are considering **Rental**



Federal Website

- On the Federal side, residential property flipping rule, which applies retroactively to dispositions that occur on or after January 1, 2023 on properties owned for less than 365 consecutive days
- This rule deems profits from a “flipped residential property” as business income to target taxpayers that misclassify these profits as a capital gain to avoid taxes. A gain on a “flipped property” sale is deemed to be business income and fully taxable. No principal residence exemption is available to reduce the tax.
- Taxpayers who hold the rights to a pre-construction residential property and sell those rights for a gain within 12 months will be deemed to have received business income for tax purposes.



Why Buyers are considering **Rental**



- Essentially, the government (both provincial & federal) are discouraging short term real estate holdings, making it costly for buyers to flip quickly
- Aside from paying more taxes to the government, the overall slower real estate market can be a contributing factor to why homeowners may want to rent out a new property for the time being
- Empty condos could pose issues such as difficulty getting insurance, strata and mortgage costs not being covered, etc

What are Renters looking for in a **Rental**





How to Prep a condo for **Rental**



How to Prep a condo for **Rental**



What do I need?

1. Should I stage a rental?
2. Should I hire a professional photographer?
3. Should I have room measurements and/or floorplans?
4. What paperwork should I sign with my client for the rental service?
5. Ask your buyer client to order more FOBs & keys

How to Prep a condo for Rental



Form K

Strata Property Act
FORM K
NOTICE OF TENANT'S RESPONSIBILITIES
(Section 146)

Re: Strata Lot *[strata lot number as shown on strata plan]* of
Strata Plan..... *[the registration number of the strata plan]*

Street Address of Strata Lot

Name(s) of tenant(s)

Contact number (s)

Tenancy commencing *[month day, year]*.

IMPORTANT NOTICE TO TENANTS:

1. Under the *Strata Property Act*, a tenant in a Strata Corporation **must** comply with the bylaws and rules of the Strata Corporation that are in force from time to time (current bylaws and rules attached).
2. The current bylaws and rules may be changed by the strata corporation, and if they are changed, the tenant **must** comply with the changed bylaws and rules.
3. If a tenant or occupant of the strata lot, or a person visiting the tenant or admitted by the tenant for any reason, contravenes a bylaw or rule, the tenant is responsible and may be subject to penalties, including fines, denial of access to recreational facilities, and if the strata corporation incurs costs for remedying a contravention, payment of those costs.

Date: *[month day, year]*.

.....
Signature of Landlord, or Agent of Landlord

.....
Landlord's Name (Please Print)

.....
Contact number (s)

The address to which any notices to the registered
owner of the strata lot shall be delivered is:

.....
.....
.....
.....
.....

.....
Signature of Tenant

.....
Signature of Tenant

How to Prep a condo for **Rental**



Would a furnished condo rent for more?

How to Prep a condo for **Rental**



When to post rental listing?

1. Should I post listing even before my buyer take possession from developer?
2. Should I wait to see what rental prices other units are charging first?

How to Prep a condo for **Rental**



Where to post rental listing?

1. Craigslist is free and most common, should I post there?
2. Should I post on MLS?
3. What about websites like REW.ca, liv.rent, Zillow, zumper?

Qualifying a renter?

Rental



Qualifying a Renter?

Rental



1. What documents do I need to qualify their income?
2. Can I ask to check their bank statements for savings?
3. How do I do a credit check? What is ideal credit number?
4. Can I do a criminal check? If so, how?
5. Can I ask to call their previous landlord for a reference check?

Rental Questions

I don't know what I'm doing, should I
involve a professional Property Manager?

YES!

Hiring a Property Manager for **Rental**



Hiring a Property Manager for **Rental**



1. How do Property Managers charge?
2. What kind of services are provided?
3. What is a Tenant Placement?
4. How is rent collected and paid out to landlord?
5. Is the PM the one to serve notice to tenant to end tenancy or raise rent?
6. How does it benefit the realtor?

Listing a **Rental** For Sale



Listing a **Rental** For Sale

1. Can “for rent” posting and “for sale” listing happen simultaneously?
2. What happens if a rental agreement is signed while the home is still on the market for sale?
3. What happens if new buyer wants to move in but rental agreement has already been signed?
4. What’s the difference between month-to-month lease vs one-year lease?

Rental Q&A

Rental Questions

How much deposit can be collected?



Rental Questions

**If new buyer takes over existing tenant,
what happens to the damage deposit?**



Rental Questions

If new buyer claims to move-in and End Tenancy is served, BUT the buyer doesn't move in, what will happen?



Rental Questions

Can landlord kick out tenant to put home on the market for sale?



Rental Questions

What happens if a tenant breaks a lease early?



Rental Questions

What happens if a landlord breaks a lease early?



Rental Questions

Who should buy insurance?
Landlord or Tenant?



Rental Questions

How much can a landlord raise rent in 2025?



Rental Questions

How many months notice needs to be provided before landlord raises rent?



Rental Questions

**If new buyers take over existing
tenant, are they allowed to raise rent?**



Rental Questions

**How many months notice needs to be
provided before new buyer can move in?**



Rental Questions

How much notice needs to be provided to tenant for access to do showings?



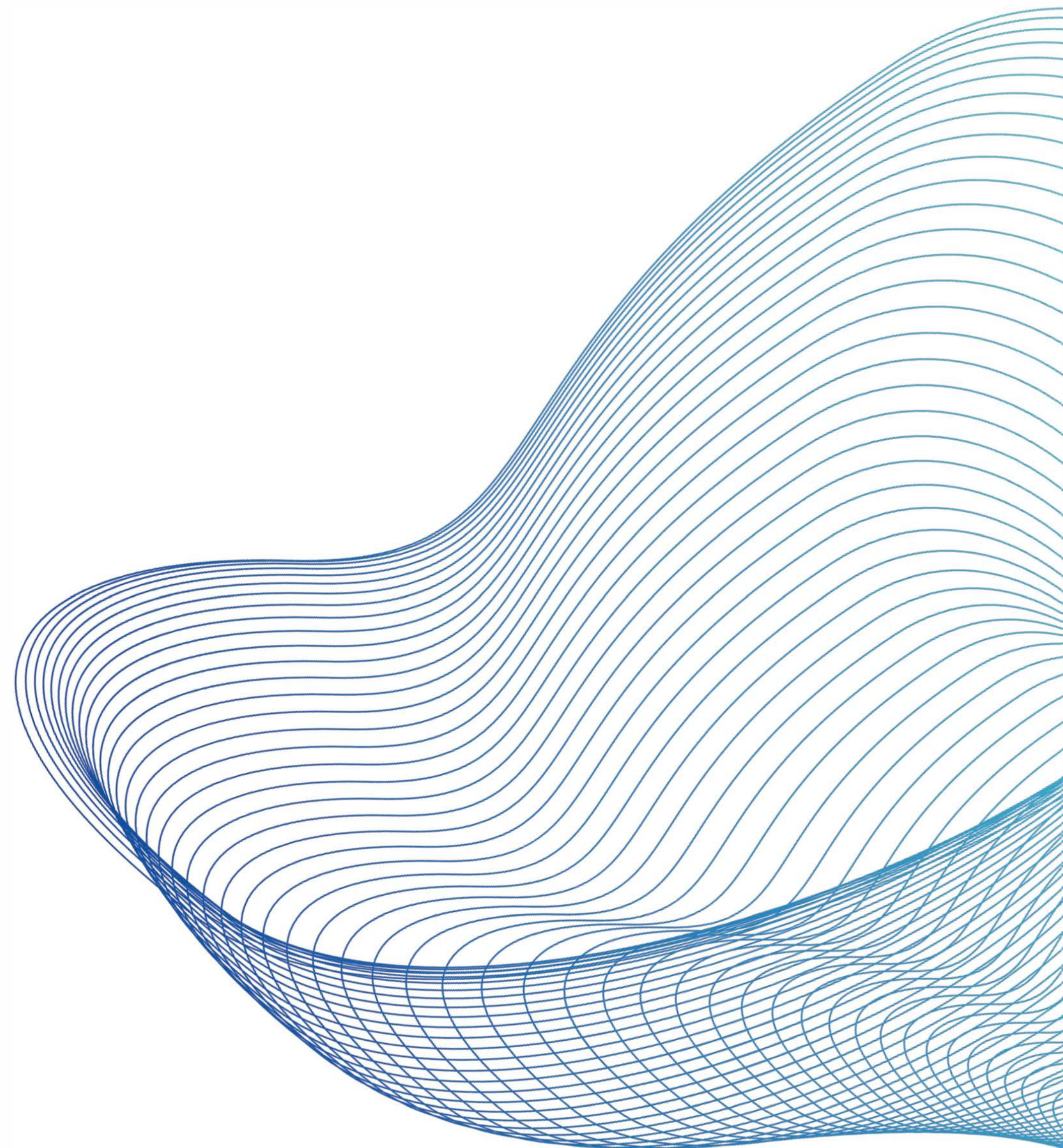
Rental Questions

Are tenants allowed to sub-lease?



RIFOTM

THE LEADING
HOME SOLUTION PLATFORM



(F)inancial (S)upport (D)epartment

- RIFO Mortgage Referral Program
- RIFO Points



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Digital Business Card



Financial Support Department

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RIFO Mortgage Referral Program

For Realtors

- Pre and firm approval
- Existing relationship with the MS
- A client's mortgage is directly funded with one of our partnered major Canadian banks or financial institutions, or through RIFO Mortgage Services Inc.
- Notify FSD prior to closing date.
- Up to **30%** Referral Rewards for every funded mortgage (RIFO Points) for brokerage fee redemption.

RIFO Rewards

- Through RIFO App, RIFO Points can be redeem towards
 - Deal Fee
 - Desk Fees



Scan QR Code for more
details

OUR PARTNERS

The RIFO BC Financial Support Department connects your clients to **7 vendors**, including:

- 6 Canadian banks (**A lenders**)
- 30+ lending institutions (**B & C lenders**) through **RIFO Mortgage Services Inc.**

Our partners provide both **pre-approval** and **firm approval** mortgage services.



... and more!

RIFO Agent App



CONNECT WITH US



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RIFO
ACADEMY

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THANK
YOU

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RIFO