

Residential Lettings

Terms and Conditions of Business



SOLE AGENCY

By signing this Agreement, you instruct us on a sole agency basis for a period of four weeks, unless otherwise agreed in writing. This means that you will be liable to pay commission to us, in addition to any other costs or charges agreed, if at any time, unconditional contracts for letting of the Property have been signed:

- with a Tenant introduced by us during the period of sole agency; or
- with a Tenant with whom we had negotiations about the Property during that period; or
- with a Tenant introduced by another agent or any other person, including you, during that period.

It is important to note that if you instruct another agent to act for you as well as us, you may find yourself liable to pay commission to us as well as the other agent.

A. LETTING & RENEWAL SERVICE

We will:

- (i) View the Property and advise you as to the market rent achievable under current conditions.
- (ii) Advertise and generally market the Property.
- (iii) Make arrangements for, and accompany (when required) prospective Tenants to view the Property.
- (iv) Report all offers received to you and negotiate on your behalf.

Please note: if you accept a formal offer and you then later inform us that you do not wish to proceed with the Tenancy, it may not be possible to withdraw. If you refuse to proceed, the Tenant could take legal action against you for any losses that they suffer.

If you instruct us to proceed with a proposed Tenancy and subsequently withdraw your instructions, you agree by signing this Agreement to meet some of the costs and the expenses that we will have incurred up to the sum of £360.00 including VAT.

- (v) Apply for references for each tenant. We use a referencing agency who has informed us that they obtain references from employers, previous landlords (if applicable) and a credit reference.

We cannot be held liable for the accuracy or otherwise of information communicated to us from the referencing agency unless it is due to our negligence or breach of contract.

- (vi) Prepare a comprehensive Tenancy Agreement to be signed by both you and the Tenant. We will create one of the following tenancies depending upon the circumstances:

Assured Shorthold

If the Tenant is an individual, will be living in the Property as his/her main and principal home and the net rent is £100,000 per year or less we will use an Assured Shorthold Tenancy Agreement. There is no minimum period for such lettings, however, the Tenant will be afforded six months' security of tenure by the Court. This means that if the Tenant fails to move out at the end of the contractually agreed term, a Court will not make a possession order to expire before the Tenant has been in the Property for six months, unless the Tenant is in material breach of the Tenancy Agreement.

Common Law

If the net rent payable is more than £100,000 per year or a proportionate level for a shorter term, the Tenancy will not be an Assured Shorthold Tenancy. You will need to use a common law tenancy agreement.

This type of tenancy agreement is not governed by the Housing Act 1988 but will be subject to other statutory regulation (e.g. Protection from Eviction Act 1977) which means you must obtain a possession order from the County Court before a Tenant can be evicted.

A deposit taken under a common law agreement does not have to be protected by law. TDS will make its independent alternative dispute resolution service available to you as our client.

Corporate Lets

These are a type of common law tenancy agreement which will be used when the Property is to be let to a company.

Special Clauses

Tenants may request an option to renew which would bind you legally to a longer Tenancy upon the Tenant serving the required notice under the option clause. You should ensure that your circumstances are suited to granting such a tenancy and an option to renew would not breach the conditions of any mortgage on the Property.

Whilst we are able to include additional clauses if required, if major adjustments to our standard Tenancy Agreement are required by your solicitor we would advise that they are instructed to prepare the Tenancy Agreement on your behalf.

If you instruct us to negotiate and administer a tenancy agreement other than our standard Tenancy Agreement, we will charge a fee of £60.00 including VAT to cover our costs of familiarising ourselves with the Tenancy Agreement.

- (vii) We strongly recommend that an Inventory and schedule of condition is prepared for the Property, whether it is let furnished or unfurnished, to reduce the risk of a dispute arising about deductions from the Deposit at the end of the Tenancy. If there is no Inventory and schedule of condition for the Property then your chances of making a legitimate claim against the Deposit will be greatly reduced.

We can arrange for the creation of a professional ingoing Inventory and schedule of condition by an independent inventory firm at the commencement and final inspection and outgoing inventory at the termination of the Tenancy.

Alternatively, we can prepare in-house an inventory and schedule of condition prior to the commencement of the Tenancy. Our charge will be based upon the time taken to prepare this document.

Please note that we cannot be held responsible for any error or omission on the part of the independent inventory clerk or for any omissions or discrepancies should we be instructed to prepare the inventory and schedule of condition unless it is due to our negligence or breach of contract.

- (viii) Obtain from you a set of keys for each Tenant and if we manage the Property a set for our retention. If you do not provide sufficient keys we will have extra sets cut at your expense. By signing this Agreement you agree that we can deduct the cost of key cutting and our administration fee as detailed in Additional Services and Fees from any money that we hold on your behalf.
- (ix) Notify the utility companies for gas, electricity and water of the change of user at the commencement of the Tenancy provided we have been given the supplier's details and they will accept the information from us on your behalf. You will need to contact any telephone company to take the account out of your name as they will not take instructions from us. We cannot be held responsible for any disconnection unless it is due to our negligence or breach of contract.
- (x) Notify the local Council Tax office of the change of occupier at the commencement of the Tenancy. Payment of council tax will normally be the responsibility of the Tenants in the Property. However, you should be aware that where a property is empty or let as a house of multiple occupation (i.e. shared by three or more unrelated persons) responsibility for payment of council tax then rests with the owner of the Property. Further information can be obtained direct from the local authority.
- (xi) Demand and receive the first month's Rent on your behalf and forward this direct to your bank account or as instructed, after deducting our agreed fees and expenses. Payment will be sent within seven working days after our receipt of cleared funds from the Tenant. If there is a balance of fees outstanding payment must be received by us within fourteen days of written demand.

- (xii) Demand and receive a deposit equivalent to at least 1.5 times the agreed monthly Rent on your behalf. Forward you a cheque made payable to the scheme which is to protect the Deposit within five days of receipt of cleared funds, unless you request us to hold the Deposit as part of the Tenancy Deposit Scheme as detailed in F5 below. You must register it with a tenancy deposit protection scheme within a further 21 days if the tenancy is an Assured Shorthold Tenancy.

If you fail to do so the Tenant can take legal action against you in the County Court. The Court will make an order requiring you to pay the Deposit back to the Tenant or lodge it with the custodial scheme that is known as the Deposit Protection Service. In addition a further order will be made requiring you to pay compensation to the Tenant of an amount of between one and three times the Deposit at the Court's discretion. You will be unable to serve a valid Section 21 Notice on your Tenant until compliance with the above conditions and the Court will not grant you a possession order. By signing this Agreement, you agree that we have no liability for any loss suffered if you fail to comply with the deposit scheme rules.

- (xiii) Contact you approximately 10 weeks prior to the end of the fixed term to as for your instructions as to whether you wish to renew the tenancy whether as a new fixed term or continue as a periodic tenancy. We will review the Rent and advise you if a rent increase is possible depending upon market conditions at the time. You must confirm to us in writing if you wish the Tenancy to be renewed or notice served. We do not serve notice on the Tenant unless you instruct us to do so in writing.

Once written confirmation has been received requesting renewal of the Tenancy, we will write to the Tenant asking if they wish to renew the Tenancy for a further period and advising of any proposed rent increase. We will then negotiate between the two parties.

- (xiv) Prepare extension documents if requested for both parties including drafting any new clauses varying the terms of the original Tenancy. The documents will be sent to both parties for signature.

Try to ensure both parties sign and date the documentation by the start date of the new period of the Tenancy. If the Tenant fails to return the extension documents the Tenancy will continue as a statutory periodic Tenancy until either party gives notice in writing. While we will make every effort to obtain the signed extension documents we have no liability if the Tenant fails to return them. Our fees will be payable whether the Tenancy continues as a fixed term or as a statutory periodic Tenancy.

We will send you a signed and dated copy of the extension document if applicable.

- (xv) Serve the Notice required to gain possession of the Property upon written request from you to do so. This will be subject to an administration charge if we do not manage the Property as detailed in Additional Services below.

- (xvi) When we are not managing the Property we do not arrange repairs or maintenance. It is your responsibility to manage the Property on a daily basis.
- (xvii) Endeavour to obtain a forwarding address for the Tenant. We cannot be held liable if the Tenant does not provide an address or gives an address that is not deemed acceptable.

Letting Service Fees

- (i) Our commission is **50% plus VAT** of the first month's Rent subject to a minimum fee of £480.00 including VAT.

This fee will be deducted from the first rental payment or payments at the commencement of the Tenancy.

A fee of £120.00 including VAT is also payable for any extension or renewal of the Tenancy to the Tenant.

B. MANAGEMENT SERVICE

In addition to the service offered under our Letting and Renewal Service detailed above we will:

- (i) Demand and receive the Deposit, which will normally be equivalent to a minimum of 1.5 times the agreed monthly Rent from the Tenant. The Deposit will be held by Rees & Associates Property Management in our Client Designated Deposit Account in a Stakeholder capacity until the end of the Tenancy.

By holding the Deposit as Stakeholder, we are not permitted to make any deductions from it without the consent of both parties. To comply with current legislation we are members of the Tenancy Deposit Scheme.

- (ii) Prepare an Inventory and schedule of condition of the Property. The Inventory will include all fixtures and fittings and any removable items in the Property and will detail the condition of those items at the commencement of the Tenancy.
- (iii) Visit the Property approximately four times per year during the term of the Tenancy to verify the general good order and proper conduct of the Tenancy by the Tenant, provided the Tenant grants access. If the Tenant fails to grant access we will notify you in writing requesting that you take legal advice and advise us of any action to be taken. A written report will be forwarded to you together with any recommendations. This is not a building survey and we are only able to report on the apparent visual condition. We cannot accept responsibility for hidden or latent defects or for failure to notice anything concealed. If more frequent visits are required over and above those included within our Management Service a fee of £90.00 including VAT will be charged per additional visit.

- (iv) Arrange and co-ordinate repairs and maintenance which come to our notice or brought to our attention by the Tenant and deal with minor repairs up to a maximum of £200 for any single item or repair, subject to any other requirements or limits specified by the Landlord. By signing this Agreement you give us authority to instruct contractors on your behalf and deduct their costs up to a maximum of £200 from Rent payments received.

- (v) Obtain and submit an estimate to the Landlord, for any necessary works which are liable to cost more than £200 except in the case of an emergency or for reasons of contractual necessity where reasonable endeavours have been made to contact the Landlord when, we may exceed the limit specified.

We will endeavour to select competent tradesmen at a reasonable price but do not accept liability arising from defective workmanship unless it is due to our negligence or breach of contract. You retain the right to pursue any claim against the appointed tradesman for substandard work.

We only use contractors who hold professional qualifications and public liability insurance. If you request that we use a particular contractor, we will do so provided the person or company gives us copies of professional qualifications, public liability insurance and is readily available.

- (vi) Pay your outgoings and charges in respect of the Property if you request that we do so in writing. You will need to arrange for the demands from the relevant companies to be sent to us for this purpose. Payment will only be made provided we hold sufficient funds. If there are obvious discrepancies we will use our best efforts to deal with them but if the demand looks in good order we are entitled to accept and pay them without question. By signing this Agreement you accept that we cannot be held liable for any loss suffered if funds are not sufficient to make payments unless it is due to our negligence or breach of contract.

You may, of course, prefer to arrange for regular payments to be made by direct debit or standing order through his bank. If we are not sent the demands, we will assume that you are making payments directly.

- (vii) Collect the Rent in the manner set out in the Tenancy Agreement and send you regular detailed statements of account relating to all transactions undertaken for the period. Payments will be made by direct bank transfer within 21 days of receiving cleared funds from the Tenant.

You should arrange a facility with your bank so that you can make regular outgoings in case a payment is not received from the Tenant.

- (viii) Arrange for the necessary inspections, and any resultant maintenance and repairs in order to comply with current safety regulations (see Section D – Legal Requirements). All charges will be payable by you.

- (ix) Make any required applications on your behalf to obtain any consents which may be required from the freeholder, mortgage lender or insurer as applicable provided you give us instructions to do so in writing and agree to pay all charges levied by the authority for granting such consent. Some companies will not take instructions from us in which case you will need to contact them directly to obtain the relevant consents.
- (x) Carry out a full property assessment and Inventory check out at the end of the Tenancy. (Note – this inspection does not include checking any mechanical or electrical appliances or other fixed equipment). Calculate the cost of any damages owed to you at the end of the Tenancy and inform the Tenant of any cleaning, repairs, replacement or compensation and the costs involved with these to be deducted from the Deposit. If the Deposit is insufficient to cover the costs of the required repairs or replacements, we will write to the departing Tenant and demand the balance. If the Tenant does not pay this amount, it will be your responsibility to take legal advice as to the enforcement steps to be taken against the Tenant. (see Section F5 – Tenancy Deposit Scheme).
- (xi) Contact the utility companies to advise them that the outgoing Tenant has vacated the Property and to close the account.
- (xii) Ensure that the Property is in a fit state of tidiness and cleanliness for any new Tenant to take occupation. We will only do so if we are in receipt of cleared funds to cover any cleaning and other expenses.
- (xiii) Forward to you any post addressed to you passed or forwarded to us or found by us at the Property. We are not responsible for any post that is lost, damaged or destroyed unless it is due to our negligence or breach of contract.

Management Service Fee

Our commission is **10% plus VAT** of the gross Rent payable for the full term of the Tenancy, as shown in the Tenancy Agreement. This also applies to any extension or renewal of the Tenancy whether fixed term or periodic to the Tenant or any associated party, whether or not the extension or renewal is negotiated by us.

This fee will be deducted from the rental payments as they are received throughout the term of the Tenancy.

Either party may withdraw instructions to manage the Property upon giving three months' written notice. If our instructions to manage the property are terminated in accordance with this clause, our commission and fees for the Lettings Service remains payable.

C. VACANT MANAGEMENT SERVICE

Our Management Service does not apply when the Property is not let. The Vacant Management Service is offered for properties which are vacant before or between Tenancies and for which we are the only key-holder and have been managing the Property.

We will:

- (i) Visit the Property once a week during office hours (Monday to Friday between 8.30 a.m. to 5.00 p.m.), to conduct a routine visual inspection check of the Property. This is not a building survey and we only report on the apparent visual condition.

We will advise you of any obvious lack of repair or maintenance that comes to our attention but will not undertake works on your behalf unless requested in writing and payment of our administration fee in addition to the contractor's fee. Our administration fee is as set out in the Additional Services section of this Agreement. We cannot accept responsibility for hidden or latent defects or for failure to notice anything concealed.

- (ii) Supervise winter central heating routine as appropriate. It will be your liability to pay fuel charges and ensure that sufficient fuel is available if the system is not via a mains supply.
- (iii) Pay outgoings and charges in respect of the Property as outlined in B1 (vi) provided invoices are directed to us and we are in receipt of sufficient funds. We are not liable for any loss or damage suffered if we do not hold sufficient funds unless due to our negligence or breach of contract.
- (iv) Re-direct mail as outlined in B.1 (xiii).

Vacant Management Service Fee

Our fee is £240 including VAT per month payable in advance for the basic service detailed above. Any further duties requested would incur an additional charge as set out in the Additional Services section of this Agreement.

D. LEGAL REQUIREMENTS

1. Taxation/Overseas Landlords

You will be liable for tax on Rent and you must inform the HM Revenue and Customs that you are letting the Property.

A number of expenses can be deducted from the Rent prior to assessment of tax, but you must keep all your invoices for six years for tax purposes. You should also be aware that we submit a form to HM Revenue and Customs every year detailing all landlords whose property we have let, regardless of the country of residence of the landlord.

We are required to deduct tax at the basic rate from rental monies net of expenses prior to paying these monies to you if you are resident overseas. We then forward this tax to HM Revenue and Customs quarterly and at the end of the tax year. If there have been excess payments then Landlords can, on submission of detailed paperwork, apply to HM Revenue and Customs for a rebate.

Overseas landlords are able to apply to HM Revenue and Customs for an exemption to the above regime and, if the exemption is granted and we are provided with an approval number, we will be able to pass the Rental, less any fees and expenses, to you without deduction of tax.

Further information and guidance notes can be accessed on the HM Revenue and Customs website at www.gov.uk/tax-uk-income-live-abroad/rent

Should you not wish to apply, or if you are refused approval, and we are obliged to submit quarterly returns to HM Revenue and Customs, we will make a charge of £240 including VAT per annum to cover our administration costs of doing so.

We always recommend that the services of a Chartered or Tax Accountant are used to ensure all allowable outgoings can be offset against tax.

2. Repairing Obligations

Section 11 of the Landlord and Tenant Act 1985 (as amended) places an obligation on landlords to keep in repair and proper working order the installations for the supply of water, gas, electricity and sanitation including basins, sink, baths and sanitary conveniences and the installations of space heating and heating of water.

3. Safety Regulations

The responsibility for compliance with the following regulations or any re-enactment is and remains your personal obligation. Failure to comply with safety legislation is a criminal offence and can lead to prosecution, fines and/or imprisonment.

The Furniture and Furnishings (Fire) (Safety) Regulations 1988

The Furniture and Furnishings (Fire) (Safety) (Amendment) Regulations 1993

All upholstered furniture, three piece suites, beds and divans including upholstered bases, padded headboards, sofa-beds, furniture with loose or fitted covers, children's furniture, cots and other items used by a baby or small child, cushions, high-chairs, mattresses of any size, pillows and garden furniture which may be used indoors supplied to a property and forming part of a letting must comply with these regulations.

Most furniture manufactured since 1983 will probably comply and carry labels to this effect. Where there are no labels, we would advise you to contact the manufacturer or retailer for confirmation. If in doubt the items should be removed and replaced. It is illegal to let a property with furniture that cannot be proven to comply.

Period and antique furniture manufactured before 1950 are exempt.

The Gas Safety (Installation and Use) Regulations 1998

Landlords are responsible for ensuring that appliances and pipework in tenanted premises are maintained in good order and in a safe condition so as to prevent risk or injury to any person. The regulations require that the appliances and pipework are checked for safety prior to the commencement of a tenancy and every 12 months thereafter by a Gas Safe Registered engineer. A record of the safety check must be supplied to the Tenant and a copy kept by the Landlord and/or his Managing Agent for at least two years.

In the event that you fail to provide us with a Gas Safety Record 48 hours prior to the commencement of a Tenancy, by signing this Agreement you accept that we will instruct a Gas Safe Registered engineer to attend the Property to carry out a new check and the contractor's fee plus an administration charge of £36 including VAT will be deducted from your first rental payment. (The administration fee will not apply for properties under our Management Service).

The Electrical Equipment (Safety) Regulations 1994

Landlords must ensure that all electrical appliances and the electrical supply is 'safe' and will not cause 'danger'. You are responsible for providing instruction books or clear working instructions for all items of electrical equipment. From 1st January 1997 all new electrical appliances must carry a 'CE' mark. Newly installed plugs and sockets must also comply with regulations.

We recommend that an inspection is undertaken prior to the commencement of a Tenancy and at regular intervals thereafter. We can arrange to do this for an administration fee of £36 including VAT plus the contractor's charge. (The administration fee will not apply for properties under our Management Service).

The Building Regulations 1991 Smoke Alarms

All properties built after June 1992 must be fitted with mains-operated interlinked smoke detectors/alarms on each floor.

Whilst properties built before that date are not included under statute, we strongly recommend that all properties to be let are fitted with smoke alarms and these are regularly serviced.

In line with guidance published by Gas Safe, we also recommend installing carbon monoxide alarms in the Property.

We can arrange for battery operated smoke and/or carbon monoxide detectors to be installed at the Property upon your written instruction and subject to your payment of an administration fee of £36 including VAT plus the contractor's charge. (The administration fee will not apply for properties under our Management Service).

Where the Property is fitted with battery operated smoke alarms these should be checked at the start of every new Tenancy to ensure that they are operational. We can arrange to do this for an administration fee of £36 including VAT plus the contractor's charge. (The administration fee will not apply for properties under our Management Service).

Legionnaire's Disease

In order to comply with the Health and Safety Executive's Code of Practice, we strongly advise you to carry out a risk assessment at the Property prior to letting it, especially if there are open water tanks, cooling systems or a swimming pool. By signing this Agreement you confirm that you have considered all risks regarding legionnaire's disease:

Houses in Multiple Occupation (HMOs) Licensing

Under the Housing Act 2004 landlords of certain properties will need to be licensed by their local authority. It is your responsibility to check with the local authority to find out if you need a licence from the relevant local authority or we will only be able to let your Property to a single family group.

It is your responsibility to apply and pay for any licence that is required. We will only offer the Property for let when we are in receipt of a copy of the licence. If you refuse to obtain a licence we will not accept any further instruction from you and will take no further part in the letting and management of the Property. If we are forced to dis-instruct ourselves once a Tenancy has commenced you will remain liable for our full fees for the initial term of the Tenancy. We will inform the Tenant and the relevant local authority of our reason for dis-instructing in writing.

Due to additional administration involved with an HMO we charge an administration fee of £180 including VAT annually. This sum will be deducted annually from the Rent received or if Rent is not received, within fourteen days of a written demand to the landlord.

The Housing Health and Safety Rating System (HHSRS)

This system is a statistical means of measuring hazards and risk of injury at rental properties. By signing this Agreement you accept that the responsibility for the safety of the Tenant at the Property is entirely yours.

4. Consents

Before entering into any Tenancy Agreement in respect of the Property you must check whether there are any restrictions to your doing so and whether consent needs to be obtained from the following:

Mortgage Provider

If the Property is subject to a bank loan or mortgage, permission will be required from the lender before the Property can be let. By signing this Agreement you confirm to us that you have consent from the lender to let the Property. There may be a charge by the mortgagee for giving their permission. If the mortgagee has any special conditions you must provide them to us to be included within the Tenancy Agreement otherwise they cannot be imposed on the Tenant.

Superior Landlord/Freeholder

If you hold the Property on a lease you must check that your lease permits you to let the Property and that you have been granted consent. A fee may be charged for granting consent to sub-let for each term of a Tenancy, which will be your liability to pay.

You will need to supply us with a copy of the relevant sections of the Head Lease together with any schedules to attach to our Tenancy Agreement. If a copy is not provided to the Tenant you cannot impose any obligations contained in it on the Tenant. This could lead you to breach your Head Lease.

You must also ensure that the letting is for a period expiring prior to the termination of your own lease.

Insurers

Most insurance policies require you to notify them if the Property is to be let and if the Property remains vacant for a period greater than specified in your policy. Failure to do so may invalidate the policy. You should hold adequate insurance for both the Property and its contents including public liability insurance to protect against any claim for injury from a third party. We require copies of the relevant sections of both policies including any conditions the insurer imposes when the Property is vacant to attach to the Tenancy Agreement.

These conditions cannot be imposed upon a Tenant at a later date. You may want to consider an insurance policy that covers loss of rent and contents and legal expenses.

When you sign this Agreement you are confirming that you have the right to instruct us to let the Property and that you have obtained the necessary consents. We cannot be held liable for any difficulties arising as a result of your failure to observe the above.

Where we are instructed under the Management Service we will apply for the relevant consents on your behalf, prior to the Tenancy commencing if you request that we do so in writing subject to you providing us with the necessary details. Any charge levied by the authority for granting such consent will be charged to your account.

If you are not within our Management Service we can provide this service for a fee of £60.00 including VAT for each consent in addition to any charge levied by the authority for granting such consent. If the relevant companies do not take instructions from us it is your responsibility to ensure these consents are obtained prior to the Tenancy commencing.

If you fail to obtain consent to let, we accept no liability for any loss suffered as a result, unless it is due to our negligence or breach of contract.

E. ADDITIONAL SERVICES AND FEES

1. Interior Design/Refurbishment

We have extensive experience in dealing with both furnishing and refurbishment of properties. We can arrange such works on your behalf subject to your payment of a fee of 12.5% plus VAT of the total cost of the works subject to a £120 including VAT minimum fee.

2. Arrangement of Major Works

Upon your acceptance of any estimates to remedy any defects or undertake repairs and/or improvements in excess of £1000.00, we will charge of 10% plus VAT of the total costs of the work. We cannot arrange for any works at the Property without first holding sufficient funds to meet the liability. If we do not hold sufficient funds we have no liability for any loss or damage suffered for not arranging any necessary works unless it is due to our negligence or breach of contract.

3. Snagging of Newly Built Properties

Snagging of newly built properties and commissioning of systems are not within the normal range of our Management or Vacant Management Services. We can assist with this if required, subject to your payment of our administration fee of £60 per hour including VAT.

4. Obtaining Consents

Where required to apply for the relevant consents on behalf of the Landlord of a property not within our Management Service, a fee of £60 including VAT for each consent will be charged in addition to any charge levied by the granting authority.

5. Deposit Reconciliation

If we are required to assist, or we become involved in the negotiations at the end of a Tenancy between a Landlord and Tenant to reach agreement regarding the damage and dilapidation at the Property not within our Management Service, a fee of £60 per hour including VAT will be charged.

6. Legal Action/Court Attendance

Any legal proceedings must be instructed by the Landlord and all costs are the responsibility of the Landlord.

Where we are required by a Landlord to seek legal advice, or liaise with solicitors arbitrators or barristers or attend court on their behalf a fee of £180 per hour including VAT and disbursements will be charged to the Landlord.

7. Shopping/Key Cutting

If we are required to make minor purchases or obtaining and testing duplicate copies of keys on your behalf for the Property a fee of £24 including VAT per shopping trip will be charged.

8. House Sitting

In the event that a contractor not known to us (eg Gas or Electricity Board employee) is required to attend the Property and the Tenant cannot be present, a person appointed by us will attend the Property. Their time, including travelling time and travel costs, will be charged to you at £24 per hour including VAT.

9. Out of Hours Emergencies

Occasionally an emergency call is received from a Tenant outside office hours. If such a situation arises a charge of £25 plus VAT (£30.00) in addition to any costs incurred for an emergency contractor.

10. Energy Performance Certificate

Under the Energy Performance of Building (Certificates and Inspections) (England and Wales) Order 2007 it is a legal requirement to provide any prospective applicant with an Energy Performance Certificate (EPC) produced by an approved Domestic Energy Inspector. Failure to supply one is a criminal offence punishable by a fine. We must provide any prospective applicant with an EPC when we provide them with written details of your Property or when they first view it, whichever occurs earlier. If you already have an EPC (for example because you recently purchased the Property or it was originally up for sale), you should supply us with a copy.

Otherwise it will be necessary to produce one. If you wish you can source one yourself or alternatively we can instruct an inspector on your behalf to provide an EPC. Please note that we will be unable to market the Property until we have an EPC. The EPC will be valid for ten years.

F. GENERAL CONDITIONS OF BUSINESS

1. Signing of Tenancy Agreement

By signing this Agreement, you authorise us to sign a Tenancy Agreement and any Notice to be issued under the Housing Act 1988 as amended by the Housing Act 1996 and the Landlord and Tenant Act 1987 and any amending legislation and enter into contracts on your behalf for such supplies and services as may be necessary for the performance of our duties.

2. Client Account and Commission

Please note that all income and expenditure which we receive and make on your behalf will pass through our client account.

Interest accrued on client monies shall be retained by us.

Any commission earned by us while acting on your behalf will be retained by us to cover costs.

3 Value Added Tax

All fees in this Agreement are expressed inclusive of VAT (currently 20%), unless stated to the contrary.

By signing this Agreement you accept that the rate of VAT may change from time to time, which will result in a proportionate change to the total cost.

4. Entitlement to Commission

We will retain our commission and other fees due from monies received by virtue of this Agreement and shall be entitled to our fee if we let the Property.

We will not make any refund of commission if the Tenancy terminates before the originally agreed date, whether this is due to the exercise of a contractually agreed break clause, an agreed surrender; through any Court proceedings; or if your interest in the Property is assigned to another person.

If you instruct us to proceed with the Tenancy and then withdraw your instructions, by signing this Agreement you agree to meet our costs and expenses incurred up until the point of your withdrawal. This clause does not affect any statutory rights to cancel that you may have.

5. Tenancy Deposit Scheme

If a tenant pays a deposit in connection with an assured shorthold tenancy ('AST') it must from the moment that it is received be dealt with in accordance with a government-authorised tenancy deposit protection scheme.

The landlord must give the tenant and any relevant person prescribed information about the deposit and comply with the initial requirements of the scheme within the statutory time limit, which is currently 30 days.

Rees & Associates Property Management Limited is a member of the Tenancy Deposit Scheme which is administered by The Dispute Service Limited (TDS), P O Box 1255, Hemel Hempstead, Herts, HP1 9GN. Telephone 0845 226 7837, Fax 01442 253 193 and e-mail deposits@tds.gb.com. All AST deposits held by us will be subject to the terms and conditions of that scheme. Full information can be provided and/or is available and can be downloaded from <https://www.tenancydepositscheme.com>

If you instruct us to let and manage the Property we shall hold the Deposit under the terms of the TDS. The Deposit will be held in a stakeholder capacity. We will serve the prescribed information and comply with the initial requirements of TDS.

If you do not want us to protect the Deposit, you will need to receive it directly from the Tenant and protect it as required by law. A valid notice seeking possession under Section 21 of the Housing Act 1988 cannot be served on a tenant whose deposit is not protected. A tenant or a relevant person may apply through the Courts for compensation of at least the amount of the deposit and up to three times the deposit if you:

- a) Fail to give the prescribed information within the statutory time limit;
- b) Fail to comply with the initial requirements of an authorised deposit scheme within the statutory time limit;
- c) Notify the tenant or relevant person that the deposit has been protected but on confirmation can be obtained from the scheme.

Any interest earned on the Deposit will belong to the person entitled to it under the Tenancy Agreement.

If TDS directs us to send the Deposit to them, we must do that within 10 days of receiving their direction.

At the end of the tenancy covered by the Tenancy Deposit Scheme.

If there is no dispute we will liaise with you to ascertain what (if any) deductions you propose to make from the Deposit. Once you and the Tenant have agreed how the Deposit should be allocated, we will ask you both to confirm this in writing. We will then pay the Deposit according to what has been agreed within 10 days of receiving confirmation of agreement from both parties. If you have joint tenants, all of them must agree.

If there is a dispute about the Deposit at the end of the Tenancy you must use reasonable efforts to reach a resolution as soon as practicable with the Tenant. If it is not possible to reach a resolution, either party may refer the dispute to TDS.

If the parties agree to adjudication, the adjudicator's decision is final and there is no right of appeal.

TDS will pay the disputed amount to the person(s) entitled within 10 days beginning on the date the scheme receives notice of the adjudicator's decision; an order from the Court that has become final; or an agreement being reached between you and the tenant(s).

If you order any work to be done at the Property before a dispute has been resolved, you do so at your own risk. There is no guarantee, if you incur expense, that a dispute will ultimately be resolved in your favour.

The statutory rights of either you/the Landlord or the Tenant(s) to take legal action against the other party remain unaffected.

A fee of £25.00 plus VAT (£30.00) per tenancy is payable as a contribution towards the annual cost of us being a member of the TDS.

6 Confirmation of Instruction

In the event of our letting the Property on a verbal instructions, we reserve the right to withhold the balance of rental monies due to you until such time as you return to us signed the accompanying Confirmation of Landlord Instruction and Property Questionnaire.

7. Incorrect Information

By signing this Agreement, you warrant that all the information you have provided to us is correct to the best of your knowledge and belief. In the event that any of the information proves to be incorrect and we suffer loss as a result, you agree to reimburse and compensate us for all such losses suffered and indemnify us in respect of any liability to any other person in respect of that incorrect information.

8. Exclusion of Liability

We are not liable for any Rent, or non payment or any other of the Tenant's and/or Occupier's liabilities nor if there are insufficient funds available for any outgoings payable on your behalf.

9. Fair Contract Terms

If you do not understand or do not wish to accept the terms of this Agreement, please tell us and we would be pleased to discuss them with you. By signing our Confirmation of Landlord Instruction form you are accepting our terms and agree that they are reasonable. No variation of these terms will be effective unless agreed in writing.

10. Compensation

By signing this Agreement, you agree to compensate us in full against all costs, expenses or liabilities that we incur on your behalf or are imposed on us when carrying out duties under this Agreement. You agree to compensate us against any expenses or penalties that we suffer as a result of your refusal to comply with statutory regulations or official notices, unless it is due to our negligence or breach of contract.

11. Money Laundering

You agree that upon our request you will provide evidence of your identity and residency.

We shall be required to disclose to official authorities any information that they may lawfully request relating to financial transactions that we engage in on your behalf.

12. Terminating this Agreement

In respect of an active Tenancy:

You may terminate this Agreement by giving three month's written notice. Having served notice, you will be liable to pay us fees and commissions as normal during the notice period and, where you intend to continue letting to a Tenant who we introduced then you will be liable to pay us a placement fee equivalent to six months' commission.

We may terminate this Agreement with immediate effect if you break any material term of this Agreement or ask us to act unlawfully, or we may terminate at the end of the Tenancy.

13. Discrimination

We will not enquire into a Tenant's race, nationality, sex, disability, sexual orientation and/or religious beliefs, as a decision to or not to enter into a Tenancy Agreement on any of these grounds would be unlawful. If we believe you are discriminating against any applicant we will terminate this Agreement with immediate effect.

14. Variation of Terms and Assignment

No variation of these terms will be effective unless agreed in writing by both parties.

We reserve the right to assign our rights and/or obligations under this Agreement upon giving you 3 months written notice.

15. Data Protection

We will comply with the Data Protection Act 1998 in order to keep your information and that of the Tenant and any other occupier confidential.

By signing this Agreement, you agree that we may use information you give us, including information about yourself, for the purposes of performing our obligation to you. You agree that we may share your personal information if our fees are not paid; to TDS, if we are specifically required to do so by law; to change account details with the utility companies or if a contractor invoice has not been paid by you.

16. Consumer Contracts (Information, Cancellation and Additional Charges) Regulations 2013 – Notice of Right to Cancel

If you sign this Agreement away from our offices, these Regulations require us to provide you with certain information. The relevant information is included in this Agreement.

Your Right to Cancel

You have the right to cancel this Agreement within 14 days without giving any reason.

The cancellation period will expire after 14 days from the day you sign this Agreement.

To exercise the right to cancel, you must inform us of your decision to cancel this Agreement by a clear statement sent to us by post, fax or email. You may use the cancellation form below but it is not obligatory.

To meet the cancellation deadline, it is sufficient for you to send your communication concerning your exercise of the right to cancel before the cancellation period has expired.

If you cancel this Agreement, we will reimburse to you all payments received from you and will not charge for any work completed up to that point. We will make the reimbursement without undue delay, and not later than 14 days after the day on which we are informed about your decision to cancel this Agreement. For this reason we cannot begin providing you with the service under this Agreement unless you have requested that we begin the service in writing. You may use the space provided in this Agreement to make this request.

Please note: if you request that we begin performance of the service and subsequently exercise your right to cancel, you will be liable to pay us an amount that is in proportion to the work that we have done up until your cancellation.

DEFINITIONS & INTERPRETATION

“The Landlord” “You” “Your”

Means any one or more individuals or corporate entities that has legal right as Freeholder or Leaseholder to let the Property.

“The Agent” “We” “Us” “Our”

Means Rees & Associates Property Management Limited.

“The Tenant”

Means any one or more individuals or corporate entities entitled to possession of the Property under a Tenancy Agreement.

“The Property”

Means the Property address shown in this Agreement which includes any part or parts of the building, boundaries, fences and garden and outbuildings belonging to the Landlord unless they have been specifically excluded from the Tenancy. When the property is part of a larger building the Property includes use of common access ways and facilities.

“Tenancy Agreement”

Means the written legal contract between the Landlord and the Tenant setting out the terms of the Tenancy including rent. Our Tenancy Agreements are up-to-date with current legislation and reflect the latest Office of Fair Trading guidance on Tenancy Agreements and consumer contracts.

“The Tenancy”

Means the contract entered into between the Landlord and Tenant giving the right to the Tenant to live in the Property for the duration of the Term agreed and any extension or continuation of the Tenancy whether fixed or periodic.

“Agreement”

Means these terms of business signed between the Agent and the Landlord.

“The Term”

Means the length of the letting and any continuation of the letting whether fixed term or periodic.

“Inventory and Schedule of Condition”

Means the document drawn up prior to the commencement of the Tenancy by the Landlord or the Agent, which includes the fixtures and fittings in the Property.

“Rent”

Means the sum payable by the Tenant to the Landlord for the duration of the Tenancy inclusive of ground rent and service charge but excluding gas, electricity, telephone, water and council tax except where otherwise specified.

“The Deposit”

Means the sum of money lodged with the Agent by the Tenant at the start of the Tenancy to cover any Rent arrears, damage or loss incurred during the Tenancy. Any balance after deducting costs must be returned to the Tenant.

“Commission”

The remuneration payable to the Agent for letting and, if applicable, managing the Property.

Acts of Third Parties

We will not be responsible for any loss or damages that you suffer through the act, default or negligence of any third party which may arise other than through our negligence or omission or failure.

The Contract (Right of Third Parties) Act 1999 does not apply to this Agreement.

Jurisdiction and Service

This Agreement shall be governed by and construed in accordance with the laws of England and Wales and the Courts of England and Wales shall have exclusive jurisdiction in respect of any dispute under it.

Any legal proceedings to be served in respect of this Agreement which are to be served outside the jurisdiction shall be deemed to be sufficiently served if they are sent by ordinary first-class post and it is agreed that all legal proceedings may be served in English without the necessity for translation into any other language.

The provisions for the service of notices are that if either party deliver by hand any Notices or documents which are necessary under the Agreement, or any Act of Parliament to the other party by 5pm or the last known address of the other party; the documents or Notices will be deemed delivered on the next working day which excludes Saturdays, Sundays and Bank Holidays; or if any documents or Notices are sent by registered, or recorded delivery post the documents will be deemed delivered upon proof of delivery being obtained; or if the documents or Notices are sent by ordinary first class post addressed to the other party or the last known address of the other party; the documents or Notices will be deemed delivered two working days later, which excludes Saturdays, Sundays and Bank Holidays.

Service Information

We trade as a limited liability company registered at Companies House under Registration Number: 4502679

Our VAT number is: 799480752

We are members of the dispute and compensation scheme operated by The Property Ombudsman (www.tpos.co.uk) and our registration number is: L00475

We are members of the redress scheme operated by: The Property Ombudsman (TPO)

We are members of the Association of Residential Lettings Agents and subscribe to the code of conduct for that organisation.

SUMMARY OF FEES

Letting Service50% of the first month's rent Min £400
Management Service10% of the gross rent
Deposit Registration	£30.00 per tenancy
Vacant Management Service	£240 per month
Own Tenancy Agreement	£60.00
Tenancy Extension/Renewal	£120.00*
Accounting Service	£240 per annum
Interior Design/Refurbishment	12.5% of costs
Arrangement of Major Works	10% of works
Snagging	£60.00 per hour
Shopping/Key Cutting	£24.00 per trip
Backdated/Annual Statements	£24.00 each
House Sitting	£24.00 per hour
Legal Action/Court Attendance	£180.00 per hour
Deposit Reconciliation	£60.00 per hour*
Additional Visits	£90.00 per visit
Obtaining Consents	£60.00 each*
Arrangement of Safety Checks	£36.00 each*
HMO Administration	£180.00 per annum

All fees are inclusive of VAT at the prevailing rate of 20%
All percentages are exclusive of VAT at the prevailing rate of 20%

* Let Only

CONFIRMATION OF LANDLORD INSTRUCTION

Re _____
(Address of property)

I/We _____ (Full names of the registered owner/s)

Confirm agreement of these terms and conditions and instruct Rees & Associates Property Management to undertake the following services (mark as applicable).

Letting Service 50% of first month's rent Management Service 10% + VAT Vacant Management Service

I/We hereby warrant that:

I/We are the legal owners and have notified all interested parties of our intention to let the above property.

All furniture and furnishings in the property and included in the letting fully comply with the requirements of The Furniture and Furnishings (Fire) (Safety) Regulations 1988 and The Furniture and Furnishings (Fire) (Safety) (Amendment) Regulations 1993.

All gas appliances or installation pipework in the premises fully comply with the requirements of the Gas Safety (Installation and Use) Regulations 1998.

All electrical installations and appliances in the premises fully comply with the requirements of the Electrical Equipment (Safety) Regulations 1994.

And indemnify Rees & Associates Property Management in respect of all proceedings, claims, losses, costs and expenses which they may suffer or incur as a result of any breach of the aforesaid Warranty.

I/We confirm that there are no major repairs, construction or maintenance work; any planning or other fact or condition of which I/we are aware due to be carried out to the Property, adjoining property or the building that the Property form part of which may affect the letting of the Property except as noted below:

I/We hereby give notice that I/we have read the Notice of the Right to Cancel above and I/we request that you begin to market the Property and perform the other services set out in this Agreement immediately.

Name _____

Address _____

Postcode _____

Tel. No. (home) _____ (work) _____ Fax _____

Mobile _____ Email address _____

Signature(s) _____ Date _____

If the Management Service is not required please provide the name and address of contact that will assume responsibility for management.

Name _____

Address _____

Postcode _____

Tel. No. (day) _____ (evening) _____ Fax _____

Mobile _____ Email address _____

CANCELLATION FORM

To _____

I/We hereby give notice that I/we cancel my/our contract for the service as set out in this Agreement.

Ordered on (date) _____

Name(s) _____

Address _____

_____ Postcode _____

Property name/reference _____

Signature(s) _____
