



**LANDLORDS AGENCY AGREEMENT
Terms & Conditions of Business**

1. TENANT INTRODUCTION LETTING

SERVICE:

- (a) **Market the property as appropriate (see 9. Definitions) and unless otherwise agreed accompany prospective Tenants on viewings.**
- (b) **Report all offers received and negotiate acceptable terms for the Tenancy with the prospective Tenant.**
- (c) **Apply for references on the prospective Tenant as appropriate. This may be via an independent credit referencing agency.**
- (d) **Prepare or administer an appropriate Tenancy Agreement to be executed by both parties. An additional fee will apply - see 5.1(a).**
- (e) **At the end of the initial term of the Tenancy ascertain the intentions of both parties and serve any required notices as appropriate.**
- (f) **Negotiate any required and agreed extension or renewal of the Tenancy and prepare the relevant documents.**
- (g) **Please note that at this level of service we do not protect your tenant's security deposit by registering it with an approved Government Scheme or assess or negotiate between the parties the costs due to the Landlord from the Tenant's deposit.**
- (h) **We undertake to pay the rent received to you within 3 working days of receipt provided payment is made to you by direct transfer/electronic bank transfer.**

TENANT INTRODUCTION LETTING SERVICE FEE

- (i) **6% + VAT** of the gross rent payable for the full term of the Tenancy as per the terms of the Tenancy Agreement for tenancies. See 1(n) for fees relating to tenancies of less than six months.
- (j) **In the event that the initial tenancy is extended a fee of 6% + VAT** of the gross rent for the full term of the extension and any subsequent extension, is payable in advance at the commencement of each extension, whether or not the extension is negotiated by ourselves

- (k) Our fee for the Letting Service as outlined in 1(j) or 1(n) is payable in advance for the full term of the Tenancy including any extensions to the original term. We will raise an invoice to you and payment is due within 7 days of the tenancy commencement and will transfer the rent received as soon as funds are cleared.
- (l) You are legally responsible for registering your tenant's security deposit within 30 days with The Deposit Protection Scheme and also the release of the agreed funds at the end of the term.
- (m) The Tenant Introduction Letting Service fee is payable throughout the entire period that the Tenant or any one of the Tenants in the case of more than one Tenant, or the Occupier or any associated party remains in occupation of the property.

Short Let

- (n) In the event that the full term of the Tenancy arranged is for a period of less than six months, our fee for the Tenant Introduction Letting Service is 20% + VAT of the gross rent payable for the full term in the manner stated above, subject to a minimum fee of £500 plus VAT.

2. LETTING & MANAGEMENT SERVICE

In addition to the duties detailed in 1 (a – m) above we will:

- (a) Arrange on your behalf and at your cost for the creation of a professional inventory and schedule of condition by an independent inventory firm.
- (b) Arrange for the checking of the inventory at both the start and the end of the Tenancy.

The cost of the inventory check-in is payable by you. The cost of the check-out is payable by the Tenant and the fees will be collected from the tenant at the end of tenancy.

- (c) Arrange on your behalf and at your cost for the required safety regulations inspections to be undertaken prior to the start and throughout the term of the Tenancy, subject to the provision of access for the contractor - see 8(f).
- (d) Register your tenant's security deposit with The Deposit Protection Scheme and also negotiate the release of the agreed funds after any deductions for dilapidations at the end of the tenancy
- (e) Notify on your behalf, the utility companies for electricity, gas and water services (but not telephone) of the change of user at the start and end of the Tenancy.

Utility companies do not allow Agents to sign up for supplies on behalf of the Landlord or Tenant. We shall not be liable for any disconnection or reconnection charges that may arise from the failure of the Landlord or Tenant to do so.

- (f) Notify the Council Tax authority of the change of occupier at the start and end of the Tenancy.
- (g) Visit the property in Spring and Autumn during the Tenancy to conduct a visual check of its condition and report to you in writing. This is not a structural survey and we cannot accept liability for hidden defects or for failure to notice anything concealed from us. Additional visits may be requested and will attract an additional fee - see 5.2(a).
- (h) Maintain a minimum working cash balance of £250 throughout the Tenancy to meet the minor expenditure and regular outgoings as they become due. A float of £250 is required from you at the beginning of the Tenancy, we will deduct this automatically from the rent received.

- (i) Arrange for routine repairs and remedy of any defects which come to our notice or are brought to our attention by the Tenant, to a maximum £250 including VAT per item.
- (j) Obtain and submit estimates to you prior to commencement of works, unless in the case of an emergency, for any works which are liable to exceed £250 including VAT.
- (k) If required, pay your property related outgoings and charges on receipt of demands, provided we have funds to do so and you have instructed the relevant parties to forward demands for payment to us.
- (l) Submit statements of account to you of all transactions undertaken on your behalf.
- (m) At the end of the Tenancy calculate and agree with the Tenant an appropriate cost of any damage owed to you based on the check-out report and organise any required work prior to releasing any balance of deposit monies.
- (n) Where a Letter of Indemnity is accepted by you in lieu of a deposit, we reserve the right to withhold the balance of the final month's rent due to you to pay for any works necessary to prepare the property for any new Tenancy you instruct us to arrange.

Letting & Management Service Fees

- (o) **10% + VAT** of the gross rent payable for the full term of the Tenancy as per the terms of the Tenancy Agreement for tenancies of six months or more.
- (p) In the event that the initial tenancy is extended a fee of **10% + VAT** of the gross rent for the full term of the extension and any subsequent extension, is payable in the manner described above from the commencement of each extension, whether or not the extension is negotiated by ourselves.
- (q) Our fee for the Letting & Management Service as outlined in 2(o) or 2(r) is apportioned and payable as follows:
 - (r) The Letting Fee of **6% + VAT** as detailed in 1(j) above or 24% Incl. VAT (20% Excl. VAT) for Short Lets as detailed in 1(o) above is payable in advance for the full term of the Tenancy.
 - (s) We will transfer the rent received as soon as funds are cleared. We will raise an invoice to you and payment is due within 7 days of the tenancy commencement.
 - (t) The Management Fee of 4% + VAT is payable monthly in advance throughout the term of the Tenancy by deduction from rent payments received during any period for which the property is let.
 - (u) In the case of Short Lets the Management Fee of 7.2% Incl. VAT (6% Excl. VAT) is payable monthly in advance throughout the term of the Tenancy by deduction from rent payments received during any period for which the property is let.
 - (v) The fee is payable throughout the entire period that the Tenant or any one of the Tenants in the case of more than one Tenant, or the Occupier or any associated party remains in occupation of the property.

Short Let & Management Service

- (w) In the event that the full term of the Tenancy arranged is for a period of less than six months, our fee for the Letting & Management Service is 26% + VAT of the gross rent payable for the full term in the manner stated above, subject to a minimum fee of £900 Incl. VAT (£750 Excl. VAT).

Termination of Management Service

- (x) In the event that either party wishes to terminate the Management element of this service, they may do so by serving not less than two months prior written notice.
- (y) At the expiry of such notice you will no longer be liable for the fee of 4% + VAT relating to the Management Service.
- (z) However the fee for the Letting Service as appropriate detailed in 1(j) or 1(o) above shall remain due and payable throughout the entire period that the Tenant or any one of the Tenants in the case of more than one Tenant, or the Occupier or any associated party remains in occupation of the property.
- (aa) In the event that either party terminates the Management Service it shall be without prejudice to any claim by either party against the other in respect of any monies due up to that point and to any breach of the terms contained in this document.

Further services are available for Landlords at this level of service subject to additional fees. These are detailed in section 5.1 and 5.2 below.

3. MANAGEMENT ONLY SERVICE

- (a) If required we can Manage, or continue to Manage, your property as outlined in 2 above, when we have not introduced the Tenant.
- (b) This service must include receiving and administering the rent payments from the Tenant, including if applicable, settling the introducing agent's invoice in relation to commission due.

Management only service fee

- (c) 4% + VAT of the gross rent under the terms of the Tenancy Agreement for the full term of the Tenancy, per annum or pro rata if the Tenancy is less than one year.
- (d) This fee will be deducted from the rent payments as they are received throughout the term of the Tenancy but should the rent not be paid for any reason you will be liable to us for this charge whilst the management continues.
- (e) We will require you to provide us with a minimum float of £250 at the commencement of the contract and to maintain this level on your account. See 2(g) above.

Further services are available for Landlords at this level of service subject to additional fees. These are detailed in sections 5.1 and 5.2 below.

4. VACANT MANAGEMENT SERVICE

Our Management Service does not apply when the property is not let.

The Vacant Management Service is an optional further management service offered, where requested, for those properties previously Managed by us but which are vacant between tenancies, awaiting Landlord re-occupation or awaiting completion of sale.

This service is only available for properties where we are the only key-holder.

When instructed on this service we will:

- (a) Visit the property once per week to conduct a visual check of the condition.

- (b) Supervise winter central heating routine.
- (c) Arrange for the remedy of defects noted and deal with minor repairs up to a maximum cost of £300 Incl. VAT (£250 Excl. VAT).
- (d) Where required, pay your property related outgoings and charges on receipt of demands provided we have funds to do so and you have instructed the relevant authorities to forward demands for payment to us.

Vacant Management Service Fee

- (e) £300 Incl. VAT (£250 Excl. VAT) per month, payable in advance.
- (f) A float of £250 will be required prior to commencement of the service, which must be maintained throughout the period of the service.
- (g) Any further duties required are subject to the negotiation of an additional fee.

5. ADDITIONAL SERVICES AND FEES

5.1 Additional services & fees relating to all levels of service

(a) Tax Accounting

If you are a resident overseas and do not wish to apply for, or if you are refused Exemption, (see 8(d)) and we are obliged to submit quarterly returns to the Inland Revenue, we will make a charge of £60 Incl. VAT (£50 Excl. VAT) per month to cover our administration costs.

(b) Sale to Tenant

If the Tenant or Occupier or any party associated to the Tenant or Occupier introduced to the property by us purchases the property before entering into a Tenancy, or within 2 years from the commencement of the Tenancy, we reserve the right to charge a commission of up to 1% + VAT of the final total purchase price, including any sums paid for furniture, fixtures and fittings. Full terms and Conditions relating to the sale of your property are available upon request.

This fee is in addition to any commission payable by you to any other party in relation to the purchase.

This fee becomes legally due upon exchange of contracts but may be paid upon the completion of sale.

5.2 Additional Services & Fees Available on the Letting & Management Service only

(a) Additional Property Visits

Our Management Service includes visits to the property In Spring and Autumn during the Tenancy - see 2(f). Additional visits if required will be charged at £60 Incl. VAT (£50 Excl. VAT) per visit.

6. GENERAL CONDITIONS OF BUSINESS

(a) Client Account

All income and expenditure which we receive and make on your behalf will pass through our client account.

(b) Rent Payments