

Letting & Management Service Terms of Business

Landlord
Name &
Address:

The Agent:

Nicholls Tyreman
9 Albert Street, Harrogate, HG1 1JX. Tel : 01423 530744 lettings@nicholls-tyreman.co.uk

The Property:

LETTING AND MANAGEMENT SERVICE

Our managed and Let only services will include:

- ◆ Advice on the rent you can expect to receive.
- ◆ Advertising and marketing of your property.
- ◆ Advice on presentation and furnishing of your property.
- ◆ Advice on your responsibilities as a Landlord.
- ◆ Accompanied viewing with prospective tenants.
- ◆ Considering and dealing with applications and thorough referencing of all prospective tenants (Please note although we endeavour to ensure that all tenants are suitable, we cannot guarantee this).
- ◆ Preparing and arranging the completion of the tenancy agreements and any other documents necessary (this includes signing them on your behalf).
- ◆ Arranging for the drawing up of the inventory/schedule of condition.
- ◆ Collecting a deposit from the tenant which will be held in our deposit account and registered with The Dispute Service.
- ◆ Notifying the council tax and water authorities of a change of occupancy, reading gas and electricity meters at the commencement of a tenancy (we will inform the gas and electricity suppliers on your behalf if these details are given).

If a managed service is required the following services are also included:

- ◆ Collection of monthly rents with payments to you within 7 working days of receipt.
- ◆ Preparing and sending rent statements outlining income and expenditure.
- ◆ Issuing rent demands for late payments and notifying you if no payment received within 14 days.
- ◆ Visiting the property three months after the commencement of the tenancy and thereafter at 6 monthly intervals and providing you with written reports. (Please note the purpose of the visit is to check the tenants are fulfilling their obligations and is not a survey) Extra visits can be carried out on request in accordance with our scale of charges.
- ◆ We do not visit empty properties unless requested to do so in writing and charges have been agreed.
- ◆ Responsibility for the day to day management of the property which may involve arranging repairs or maintenance to be carried out, subject to the agreed limit. In an emergency we reserve the right to carry out required repairs, even if the costs exceed the agreed limits, without reference to you. The cost of repairs is normally deducted from the rental income. If major repairs are required, i.e. over £500, payment may be required in advance.
- ◆ At the end of the tenancy we will check the inventory/schedule of condition to assess whether the property is, in our opinion, in acceptable condition, subject to reasonable wear and tear. If appropriate we will make any necessary deductions from the deposit to cover the tenants share of the costs for repairs or replacement.
- ◆ Return the deposit to the tenant at the end of the tenancy provided that the tenant has in our opinion complied with the terms of the tenancy and the condition of the property is satisfactory.

GENERAL

The following conditions apply to our letting and management service:

- ◆ Rent guarantee products are available, please ask for further details. Unless requested we will not apply for a rent guarantee product on your behalf.
- ◆ Where legal action is necessary against the tenant e.g. to recover any sums due under the tenancy or to obtain possession of the property, the landlord will be responsible for all solicitors fees and costs.
- ◆ If you wish us to attend court or tribunal on your behalf we reserve the right to charge an additional fee which would be discussed and agreed at the time.
- ◆ We will use our standard tenancy agreement, unless you instruct otherwise, a copy of which can be supplied to you on request.
- ◆ If you are classed as resident overseas for tax purposes we are responsible for deducting income tax at the basic rate on rental income from your property, unless the Inland Revenue provides us with an appropriate exemption certificate.
- ◆ With regard to the payment of outgoings, we shall do our best to query any obvious discrepancies, however it must be understood that we are entitled to accept and pay without question demands and accounts which appear to be in order.
- ◆ We are instructed to act on a sole agency basis.

TERMINATION

The following conditions apply to the termination of this agreement:

- ◆ If a ready and willing tenant is found in accordance with your instructions and you subsequently withdraw the property, irrespective of your reasons, the "Letting Fee" of £150 + VAT will be payable.
- ◆ In the event this agreement is cancelled by yourselves prior to the arranging of a tenancy an administration charge of £100 + Vat is payable.
- ◆ Either party may terminate this agreement at the end of the tenant's period of occupancy (i.e. when the property becomes vacant), subject to 1 months notice from the party wishing to terminate. If this agreement is cancelled during the period of a tenancy full management fees will be payable until the end of the occupation with that tenant.
- ◆ If we consider that you are in breach of any regulation relating to the property (whether statutory or not) or you are failing to comply with your obligations contained within the tenancy agreement, we may give you 7 days notice of termination.
- ◆ If the property is sold to the tenants the landlord agrees to pay the agent 1% + VAT of the sale price.

DEPOSITS

Deposits taken from tenants are held in our deposit account and registered with 'The Dispute Service'. No interest will be paid to the landlords on the tenants' deposit. Deductions can only be made from this deposit once a claim against it has been substantiated, valid receipts obtained and the tenants have agreed.

If an agreement cannot be reached the tenant must raise a dispute with the 'The Dispute Service' who will then adjudicate the dispute. (Explanatory leaflets are available on request).

LEGAL REQUIREMENTS

It is illegal to let a property without the following:

GAS SAFETY CERTIFICATE

Gas safety (Installation & Use) Regulations 1994 states that the landlord must ensure all gas appliances and installations are checked annually and found to be safe by a CORGI registered engineer. If no certificate is produced 7 days prior to a new tenancy Nicholls Tyreman will organise for one to be done and the invoice deducted from the first months rent.

ELECTRICAL EQUIPMENT

Electrical Equipment (Safety) Regulations 1995 states that all wiring at the property in both fixed electrical equipment and the building itself meets all electrical and fire safety regulations. If you require Nicholls Tyreman to organise an electrical check on your behalf please let us know.

SMOKE ALARMS/CARBON MONOXIDE DETECTOR

A smoke alarm/CO detector is fitted on each floor of the property all of which are fully functional and fitted with new batteries prior to a new tenant moving in.

FURNITURE AND FIRE REGULATIONS (1993)

All soft furnishings in furnished or partially furnished properties must comply with fire resistance requirements which came into force in 1988.

ENERGY PERFORMANCE CERTIFICATES

The Energy Performance of Building Directive (EPBD) became European Law in January 2003 and member states were given several years in which to phase in the directive. As part of the EPBD from 1st October 2008, any property advertised for rent must have an EPC available for prospective tenants to see. This must be ordered prior to the marketing of a property and lasts for 10 years. If you require Nicholls Tyreman to organise for this to be carried out on your behalf we will need the fee to be paid in advance.

PLEASE NOTE: The regulations above are subject to change. It is the landlords responsibility to ensure that any amendments to either existing legislation and conditions made mandatory by new legislation are fully met.

CHARGES

Letting Fee

A charge of £150 will be made for each letting.

Renewal fee

A charge of £30 will be made for negotiating a renewal/extension to an existing tenant.

Management Charge (fully managed service)

For the ongoing management we will charge a commission of 10% of all rents collected.

Let Only service

A charge of 6% of the term rental will be charged.

Sundry charges

All charges are subject to VAT at the prevailing rate and will be deducted from the rents collected (unless otherwise invoiced).

There may be other occasions where you may be required to pay a fee for work carried out on your behalf which is beyond reasonable day to day routines. In such instances an appropriate fee will be agreed in advance.

LANDLORD WARRANTY / AUTHORISATION

The undersigned hereby confirms that:

- ◆ You are the lawful owner of the property to be rented and authorise the agent to act in accordance with this agreement
- ◆ You authorise the agent to find a suitable tenant for the property and to sign tenancy agreements and other relevant documents on your behalf.
- ◆ Where the property is subject to a mortgage, permission to let has been obtained from the mortgagee. (A copy of which can be provided on request)
- ◆ Where the property is leasehold you have obtained all necessary consent to let and must notify us of any special conditions applied by the freeholder.
- ◆ You have informed your insurance company that the property is to be let, ensuring that the building and/or contents insurance cover remain adequate and operative.
- ◆ The agent is authorised to arrange and pay from rents collected maintenance repairs up to £250 + VAT where, due to lack of time or unusual circumstances, it has been unreasonable or impractical to obtain prior instructions.
- ◆ In the event of a local authority demanding repayment, whether in part or in full, of Housing Benefit from the agent and where the funds being demanded have been paid on all, monies will be refunded to the agent without any deduction immediately.
- ◆ You have read and understood the agents explanatory notes relating to legal requirements and you agree to abide by the above regulations at all time irrespective of the letting of your property. You also agree that, although as the landlord you are responsible for ensuring your property meets the legal requirements, the agents have the right to have mandatory work and inspections undertaken at the property if it fails to comply with any act of legislation without accepting any liability should it not comply with legal requirements. This does not make them responsible for doing the work and I/we agree to meet all costs incurred ensuring the tenancy complies with legislation.
- ◆ You will notify the agent if you are presently, or at any time during this agreement, you become non-resident in the UK for income tax purposes.
- ◆ If the property is sold to the tenants the landlord agrees to pay the agent 1% + VAT of the sale price.
- ◆ Should a dispute arise between myself and the tenant, I/we agree to let Nicholls Tyreman act as arbitrators.
- ◆ You acknowledge and agree to the agent storing information relating to both the property and landlord on the computer under the terms of the Data Protection Act.

The person who by signature hereunder instructs Nicholls Tyreman to act as sole Letting Agent and thereby agrees to bound by this agreement.

All charges are subject to change given a minimum ninety days notice.

Signed
LANDLORD

Printed
LANDLORD

Signed
AGENT

Date: