

FULL MANAGEMENT TERMS OF BUSINESS

This Agreement is made between the Landlord of the property as named at the end of this Agreement ('the Landlord') and **One Lettings** acting as agent for the Landlord and hereinafter referred to as 'the Agent'.

(1) AGENT'S RESPONSIBILITIES

- 1.1 As soon as the Landlord has instructed the Agent, upon signing this agreement, the Agent will
 - 1.1.1 provide a rental valuation of the property and offer advice as required; and
 - 1.1.2 market and advertise the property in such a way as the Agent considers fit in order to find a suitable tenant.
- 1.2.1 The Agent shall interview and select prospective tenants. This will include
 - 1.2.1 conducting a credit reference search as appropriate; and
 - 1.2.2 applying for and checking at least two references; and
 - 1.2.3 where applicable, obtaining references from previous landlords and their agents.
- 1.3 The Agent will collect and account for rental payments on a monthly basis by submitting a statement of income and expenditure to the Landlord.
- 1.4 On or around the fifteenth day of the month, the Agent will credit to the Landlord's nominated bank / building society account the total rent received from the tenant minus.
 - 1.4.1 commission at the agreed rate referred to in Clause (4) of this agreement; and
 - 1.4.2 any management expenditure incurred by the Agent in accordance with Clause 1.13.
- 1.5 On signing this agreement the Landlord authorises the Agent to take reasonable action as is necessary to pursue rent arrears and where appropriate to instruct a solicitor to institute legal proceedings in the Landlord's name if a tenant is in breach of the tenancy agreement. The Landlord agrees to pay the reasonable costs occurring from such proceedings.
- 1.6 The Agent will prepare a tenancy agreement and specified notices in accordance with the relevant Housing Act(s) and/or other legislation, subject to payment to the Agent from the Landlord of the relevant fees detailed in Clause (4) of this agreement.
- 1.7 The Agent will prepare a detailed Inventory and Schedule of Condition of the property, prior to the commencement of the tenancy, subject to payment to the Agent from the Landlord of the relevant fee detailed in Clause (4) of this agreement.
- 1.8 The Agent will advise on and assist in the transfer of utility service accounts and notify the relevant authorities of any change in occupancy, providing meter readings where applicable and possible.
- 1.9 The Agent will check the tenant out of the property on termination of the tenancy and assess the overall condition of the property with reference to the Inventory and Schedule of Condition.
- 1.10 On termination of the tenancy the Agent agrees to re-let the property at an appropriate market rental, unless otherwise instructed by the Landlord.



- 1.11 When instructed by the Landlord, the Agent agrees to serve the required one calendar month's Notice of Termination upon the tenant in accordance with the relevant Housing Act(s) and/or other legislation.
- 1.12 The Agent will renew the tenancy to the existing tenant at the end of the term, unless otherwise instructed by the Landlord.
- 1.13 The Agent will, where necessary, organise any minor repairs, maintenance or replacements to the property and/or contents **up to the value of £ 200**; and
 - 1.13.1 where more serious repairs are needed and/or insurance work, the Agent will contact the Landlord for approval or instructions in regards to the work to be carried out; and
 - 1.13.2 in case of emergency the Agent reserves the right to carry out any repair without prior approval.
- 1.14 The Agent will advise on and ensure compliance with the Gas Safety (Installation and Use) Regulations 1998 with regard to the inspection, maintenance, and keeping of records in respect of gas appliances in tenanted premises, the Landlord being responsible for all costs involved.
- 1.15 In the event that the Landlord is or intends to be resident outside of the UK for more than 6 months of the tenancy, the Agent agrees to liaise with the Inland Revenue assist with the necessary application for an exemption certificate where applicable. Where no exemption certificate has been received, the Agent reserves the right to make deductions from the net monthly income at current base rate tax and subsequently make quarterly payments to the Inland Revenue in accordance with the Non-Resident Landlord Scheme.
- 1.16 The Agent will deal with any necessary insurance claim on the Landlord's behalf, **at a charge equivalent to 10% of the value claimed.**
- 1.17 The agent will visit the property after the third month from commencement of the tenancy and then six monthly up to the termination. Where necessary the Agent will provide written reports detailing the general condition of the property.

(2) LANDLORD'S RESPONSIBILITIES

- 2.1 The Landlord confirms by the signing of this agreement that he/she is the sole or joint owner of the property.
- 2.2 If a mortgage exists on the property, the Landlord must obtain the lender's consent to let.
- 2.3 If the Landlord is a leaseholder the terms of the lease must be checked and any necessary consent obtained to let.
- 2.4 The Landlord must ensure that adequate cover exists under both building and contents insurance and must inform the insurers that the property is to be let.
- 2.5 The Landlord agrees to provide the property with a working telephone line that is ready to be used by the tenant at the tenant's own expense.
- 2.6 The Landlord agrees to pay any outstanding utility charges covering the period up to and including the Landlord's vacation of the Property and any period when the property is unoccupied.
- 2.7 The Landlord will ensure that the carpets in the property are professionally cleaned prior to commencement of the tenancy and the property is in a clean condition and good decorative order.



- 2.8 Where applicable the Landlord agrees to have all chimneys swept before the commencement of the tenancy
- 2.9 The Landlord will ensure that the property has the benefit of a working television aerial.
- 2.10 The Landlord will ensure compliance with the Furniture and Furnishings (Fire) (Safety) Regulations 1988 (amended 1989, 1993 & 1996) with regard to minimum fire resistant standards of specified items supplied in the course of letting property, the Landlord being responsible for all costs involved.
- 2.11 The Landlord will ensure compliance with the Electrical Equipment (Safety) Regulations 1994 and other relevant legislation with regard to the condition and safety of electrical equipment and appliances in tenanted premises, The Owner being responsible for all costs involved.
- 2.12 Before commencement of the tenancy the Landlord must arrange for a GAS SAFE registered installer to carry out the annual Landlord's Gas Safety Check and will provide the Agent with the appropriate safety certificate for all gas appliances in the property within 14 days of the check being carried out; and**
- 2.12.1 the Landlord will ensure that all such gas appliances are thereafter checked annually by a GAS SAFE registered installer and certificates supplied to the Agent within 14 days of the check being carried out.**
- 2.13 The Landlord will provide the Agent with a full set of keys to the property before the start of the tenancy and a full set for each adult tenant.
- 2.14 The Landlord agrees at their discretion to permit the tenant to fix pictures or any other wall hangings to the walls of the property provided that picture hooks are used and not sellotape, blu-tack, nails or screws.
- 2.15 The Landlord will give notice in writing to the Agent of the Landlord's intention to re-possess the property. This notice must be given in sufficient time for the correct termination notices to be served on the tenant.
- 2.16 To indemnify the Agent, within 7 days of a demand for payment, against all claims, costs and expenses of whatever nature which may be made by the Department of Social Security, the Local Authority, any other Local or National Government Department, or any other person or body, which arises from the collection and payment to the credit of the Landlord any monthly rent pursuant to this Agreement.
- 2.17 The Landlord agrees to pay the Agent's fees in accordance with Clause (4) of this Agreement.
- 2.18 The Landlord undertakes to the Agent of any discrepancies with the management of the property within 14 days of resuming responsibility at the end of the management of the property.
- 2.19 The Landlord agrees to inform the Agent of the fact or intention that the Landlord will be living abroad for more than 6 months during the tenancy and will ensure compliance with the Tax Management Act 1970 (Overseas Clients). The Landlord authorises the Agent to liaise with the Inland Revenue and where no exemption certificate has been received, the Landlord authorises the Agent to make deductions from the net monthly income at current base rate tax and subsequently make quarterly payments to the Inland Revenue in accordance with the Non-Resident Landlord Scheme; and
- 2.19.1 the Landlord is required to notify the Agent in writing of any change in residential status as regards to clause 2.19 above; and



- 2.19.2 the Landlord will pay a fee of **£50** (that will be deducted from the rental income for each financial year or part thereof) in respect of the Agent's work arising from any duties detailed in Clause 2.19 above.
- 2.20 The Landlord remains responsible for the supervision of the property whilst unoccupied although the Agent reserves the right to arrange visits by staff in the process of re-letting. The Landlord will remain responsible for ensuring suitable protection for water systems from frost or cold weather damage. The Landlord should therefore ensure that such risks are covered by insurance and that adequate arrangements are made with a third party to protect against such an event.
- 2.21 The Landlord agrees to inform the Agent in writing of any change to his/her contact details.
- 2.22 The Landlord agrees to inform the Agent of any periods of absence or holiday and to provide emergency contact details that can be used by the Agent if necessary. The Landlord will notify the Agent in writing of any change to the emergency contact details that are to be kept on the Agent's records.

(3) GENERAL TERMS

- 3.1 The fees as set out in Clause (4) of this Agreement may be varied upon agreement in writing by the parties to this contract.
- 3.2 Rental payment received will be held in a non-interest bearing account before being transferred to the Landlord.
- 3.3 The Agent has the authority to sign the tenancy agreement and legal notices, on behalf of the Landlord.
- 3.4 Expenditure incurred by the Agent in respect of maintenance and management of the property will be recovered from the current rental income or funded by the Landlord where expenditure is in excess of rental income.
- 3.6 Unless otherwise instructed by the Landlord, the Agent is permitted to erect a 'to let' board signifying that the property is available for letting.
- 3.7 On termination of the final tenancy and vacation by the tenant, responsibility for the property will revert to the Landlord.
- 3.8 The Landlord may terminate this agreement in writing at any time before the completion of the tenancy documentation by the tenant, subject to payment of
- 3.8.1 any reasonable costs incurred by an accepted applicant for a proposed tenancy, where an offer of the tenancy to the applicant has been made.
- 3.9 Either party may terminate this agreement on the vacation of a tenant, or on the occasion of a material breach of any condition of this agreement during a tenancy or by way of three month's notice, such notice to be in writing in each case. Where the Landlord intends to continue letting to tenants introduced by the Agent after termination of this Agreement, a **'let only' fee of 50% of one month's gross rental / 7% of the monthly rental etc** will be payable to the Agent.
- 3.10 Where appropriate, the Agent reserves the right to assign the rights and/or obligations of the Agent under this Agreement.

(4) FEES AND COMMISSIONS

The Landlord agrees to pay to the Agent the following fees and commissions:

- 4.1 Management commission at the rate of **8%** of the gross rent payable.
- 4.2 A fee of **£ 0** for the preparation of the Tenancy Agreement.



- 4.3 A fee of **£ 29** per item for the preparation and issuing of notices, memorandums and extension documentation and **£ 49** for the renewal of the tenancy.
- 4.4 An inventory preparation fee of **£ 0** for an unfurnished property and **£ 0** for a furnished property. These prices are only a guide as the final fee can vary according to property size and condition.
- 4.5 A fee of **£ 50** payable from the rental income for each financial year or part thereof in respect of work undertaken by the Agent in relation to the Non-Resident Landlord Scheme.
- 4.6 Where the Landlord requests a detailed statement of accounts for the tax year then a fee of **£19** will be payable to the Agent.
- 4.7 A charge equivalent to **10% of the total value claimed** for any insurance claim made by the Agent on the Landlord's behalf.
- 4.8 A charge equivalent to **10% of the total costs** for arranging any major repairs or any maintenance over the value of £500.
- 4.9 The minimum fee of **£499** in the case of early termination of this Agreement.
- 4.10 In the event of a party introduced by the Agent subsequently purchasing the property from the Landlord, whether before or after entering into a tenancy agreement, commission shall be payable to the Agent on completion of the sale at a rate of **1% of the sale price**.

I/We have full read and understood the above.

SIGNED: _____ **DATE:** _____
(Landlord)

SIGNED: _____ **DATE:** _____
(Landlord)

PLEASE SIGN THIS AGREEMENT AND RETURN TO OUR AGENCY ALONG WITH THE PROPERTY QUESTIONNAIRE TO ENABLE US TO MARKET, LET & MANAGE YOUR PROPERTY

