

## **Landlord Terms of Business & Agency Agreement**

This Agreement is made between the Landlord of the Property (as named at the end of this Agreement) and The Personal Agent Lettings & Management who agree to act as agent for the Landlord and are hereinafter referred to as "the Agent". The purpose of this document is to set out clearly and concisely the extent of the letting and management service offered and the scale of fees charged.

### **FULL MANAGEMENT SERVICE:**

**Management Fee 15% of rent due inclusive of vat**

**Subject to a Minimum Fee of £2000.00**

Service includes:

(Items 1 to 14 below) The Personal Agent Lettings & Management provides a property management service to owners wishing to let out their property. The standard fee for the management is taken as a percentage of the gross rents due for the period of the tenancy.

1. Valuation of your property
2. Professional photography of your property
3. Advertise and market your property
4. Arrange accompanied viewings
5. Negotiating between landlord and prospective tenants
6. Obtain references
7. Produce a tenancy agreement (see pre tenancy costs below)
8. Pre tenancy compliance with current legislation (see pre tenancy costs below)
9. Collect the first month's rent and dilapidation deposit
10. Register the deposit if applicable (see pre tenancy costs below)
11. Collect the monthly rent
12. Provide monthly statements
13. Arranging for maintenance and repair work as required and charged at cost. Should major works or refurbishments be required where estimates and supervision of works are required, a prearranged charge of the total cost of the work will be payable.
14. Arrange periodic inspections during the tenancy.
15. Arranging for the check out at the end of the tenancy and instructing contractors regarding work necessary in accordance with the checkout report to prepare the property for a new tenancy.

### **RENT COLLECTION SERVICE:**

**Rent Collection Fee: 12.5% of rent due inclusive of vat**

**Subject to a Minimum Fee of £1600.00**

Service includes:

(Items 1 to 12 above) Where the Landlord requires the collection of rents then the Letting and Rent Collection Fee will be charged and will be deducted from rents collected.

Landlord responsibilities:

The Landlord would remain responsible for all other aspects of the letting including:

Maintenance of the Property (See paragraph 18 below)

Safety Regulations (See paragraph 7 below)

Tenants Right To Rent (See paragraph 4 below)

### **LETTING ONLY SERVICE:**

**Letting Only Fee 10% of the annual rental income inclusive of vat**

**Subject to a Minimum Fee of £1100.00**

A reduced letting fee of 4.5% is charged for the second and subsequent years (where the same tenant remains in occupation). The renewal fee will still be charged should the tenancy continue into a periodic tenancy. Both charged annually in advance.

Service includes:

(Items 1 to 10 above) The Letting Only Service Fee is payable at the commencement of the tenancy and will be deducted from monies received by the Agent on the Landlord's behalf. If the Tenant leaves prior to the end of the term of the tenancy, through no fault of the Agent, the Landlord shall not be entitled to reimbursement of any fees paid.

Landlord responsibilities:

The Landlord would remain responsible for all other aspects of the letting including:

Maintenance of the Property (See paragraph 18 below)

Safety Regulations (See paragraph 7 below)

Tenants Right To Rent (See paragraph 4 below)

**Pre Tenancy Costs: Administration and referencing costs for fully referencing all prospective tenants of £250.00**

**Additional Charges (If required please tick):**

- Arranging an Inventory/Check In: (Cost dependent on the property size)
- Energy Performance Certificate: £70.00 (Approximately)
- Electrical Installation Safety Report: (Cost dependent on the property size)
- Gas safety check: £85.00 (Approximately) which covers two appliances
  
- Registration of the tenants deposit with the Deposit Protection Service (DPS): £20.00
- Renewal Tenancy Agreement, or amendments to the lease throughout the tenancy: £120.00
- Issuing notices; Rent increase / Seeking possession: £120.00
- Court Attendance £115.00 per hour (Management service only)

**1. GENERAL AUTHORITY:**

The Landlord confirms that he/she is the sole or joint owner of the Property and has the right to rent out the Property under the terms of the mortgage or head lease. Where necessary, the Landlord confirms that permission to let has been granted by the mortgagee. The Landlord also agrees that the Agent may take and hold deposits and comply with the requirements of any tenancy deposit scheme that may apply to that deposit.

**2. LAND REGISTRY:**

The Landlord shall provide the Agent with any requirements in order to carry out Land Registry checks. Two forms of ID will also need to be provided to the Agent.

**3. OVERSEAS RESIDENTS:**

When letting property and collecting rents for non-UK resident landlords (NRL) i.e. landlords living overseas, the Agent is obliged by the Income and Corporation Taxes Act 1988 and the Taxation of Income from Land (Non-Residents) Regulations 1995 to deduct tax (at the basic tax rate) to cover any tax liability, unless the Landlord has been authorised in writing by HM Revenue and Customs (HMRC) to receive rent gross.

**4. RIGHT TO RENT:**

Prior to the commencement of the tenancy it is agreed that the Agent will carry out the necessary checks that all prospective tenants and permitted occupiers over the age of 18 have the Right to Rent in the UK.

Thereafter it is the responsibility of the Landlord to ensure that they carry out the necessary Right to Rent checks on any tenants and permitted occupiers over the age of 18. This includes any renewal of contract and at the expiration of a time limited visa.

**5. TENANCY AGREEMENT:**

Should the Landlord, advisors or mortgagees require amendment of the contract or require the Agent enter into further work or correspondence, a fee for this extra work may be requested (or you may have the tenancy agreement amended by your own adviser at your own expense).

**6. INVENTORY:**

The deposit protection schemes established under the terms of the Housing Act 2004 recommend that all landlords need to be protected by good inventory and condition reports from the outset. The standard inventory service should include a full schedule of condition (condition, colour & decoration of ceilings, walls, doors & door fittings etc.). Evidence of condition or damage (i.e. photography) should be included.



## 7. SAFETY REGULATIONS:

WARNING: You should read and understand these obligations before signing overleaf.

**7.1** The letting of property is now closely regulated with respect to consumer safety. The law makes particular demands regarding the safety, servicing and inspection of the gas and electric appliances and installations within a property, and with respect to the safety of furniture and soft furnishings provided. The following regulations (as amended) apply:

Furniture and Furnishings (Fire)(Safety) Regulations 1988

General Product Safety Regulations 2005

Energy Performance Certificate; Minimum Energy Efficient Standards 2018

Electrical Installation Condition Report; The Electrical Safety Standards in the Private Rented Sector (England) Regulations 2020

Plugs and Sockets (Safety) Regulations 1994

Portable Appliance Testing (PAT)

Landlord Gas Safety (Installation and Use) Regulations 1998

Smoke and Carbon Monoxide Alarms Regulations 2022

**7.2** The Landlord confirms that they are aware of these obligations and that the Agent has provided sufficient information to assist with compliance. It is agreed that the Landlord shall ensure that the Property is made available for letting in a safe condition and in compliance with the above regulations.

**7.3** Where the Landlord has duties in regard to the prevention of legionella and the inspection of domestic-type water systems, it is agreed that the Landlord shall be responsible for the maintenance of the water system and any associated safety checks under these duties.

**7.4** Energy Performance Certificates are a legal requirement, and one is required before the property can be marketed

## 8. TENANCY DEPOSITS:

**8.1** Deposits Upon signing the tenancy agreement, the Agent will take a dilapidations Deposit from the Tenant(s) in addition to any rents due. The purpose of the dilapidations Deposit is to protect the Landlord against loss of rent or damage to the Property during the tenancy itself. This Deposit will be forwarded to one of the Government-regulated deposit schemes listed below.

The Agent shall be entitled to deduct from any deposit that may be paid by a Tenant of the Landlord's Property any fees or other monies properly due and payable by the said Tenant to the Agent.

**8.2** Statutory Tenancy Deposit Protection. Where the tenancy is an assured shorthold tenancy, the Landlord or Agent is legally required to ensure that any tenancy deposit taken under the tenancy is protected within one of three statutory tenancy deposit schemes within 30 days of receipt. The schemes are:

The Deposit Protection Service (DPS)

My Deposits

Tenancy Deposit Scheme (TDS)

**8.3** Tenancy Deposit Information. Where statutory tenancy deposit protection applies to a tenancy deposit, the Agent will provide to the Tenant within 30 days the following information required from the Landlord by the Housing Act 2004:- information on the particular scheme under which the tenancy deposit is protected; compliance by the Landlord with his obligations under the Act and Prescribed information for the Tenant.

More information on the requirements of the deposit protection schemes are available on the following web site(s) and landlords are strongly urged to familiarize themselves with their legal responsibilities: <http://www.direct.gov.uk>

## 9. TENANCY DEPOSIT DISPUTES:

Under the Standard Management Service the agent will attempt, by negotiation, to resolve any deposit disputes between the Landlord and the Tenant. If a dispute cannot be resolved between the parties, then it will be necessary to submit the claim to the tenancy deposit administrators for adjudication under an alternative dispute resolution (ADR) process. Under the rent

collection and letting only services, the agent will not be involved in any negotiations.

## 10. CANCELLATION CHARGE:

If a tenant is found for the property and the referencing process has commenced under the landlords instructions (whether verbal, emailed or written) and the landlord does not proceed with the letting for whatsoever reason, a minimum fee of £150.00 is payable to the agent for works undertaken.

## 11. FEES AND VALUE ADDED TAX:

All fees stated are inclusive of VAT unless stated otherwise and will be deducted from the client's account as they fall due. Management fees and similar services are based on a percentage of the actual rental fee. For example, a property rented at £1,000 per calendar month will incur a monthly management fee of £150 where the fee is 15%. Should the agreed rental be higher or lower then the fee will be correspondingly higher or lower. VAT is subject to change.

## 12. COMMISSION FROM THIRD PARTIES:

On occasions the agent may profit by way of commission or other source from third party companies in the pursuit of the letting and/or management of your property.

## 13. INTEREST:

Any interest accrued on monies held will be retained by The Personal Agent Lettings & Management Ltd to cover bank charges.

## 14. INSURANCE:

The Landlord shall be responsible for the Property being adequately insured and that the insurance policy covers the situation where the Property is let.

## 15. COUNCIL TAX & UTILITY BILLS:

Payment of Council tax and utility bills will normally be the responsibility of the Tenants in the Property. However, landlords should be aware that where a property is empty responsibility for payment of council tax and all other utility bills then rests with the owner of the Property.

## 16. LIABILITY FOR TENANT DEFAULT:

The Agent cannot accept responsibility for non-payment of rent, damage, or other default by tenants, or any associated legal costs incurred in their collection where the Agent has acted correctly in terms of this Agreement, or on the Landlord's instructions. An insurance policy is recommended for this eventuality.

## 17. LEGAL PROCEEDINGS:

Any delays of payment under the rent collection or fully managed service or other defaults will be acted on by the Agent in the first instance. Where the Agent has been unsuccessful in these initial actions, or there are significant rent arrears or breaches of the tenancy agreement, the Landlord will be advised accordingly. The Landlord is responsible for payment of all legal fees and any related costs.

## 18. MAINTENANCE:

**18.1** The Landlord agrees to provide the Property in good and lettable condition and that the Property, beds, sofas and all other soft furnishings conform to the current fire safety regulations. The Landlord agrees to make the Agent aware of any ongoing maintenance problems.

**18.2** Where the Agent is required to co-ordinate repair and maintenance work on behalf of the Landlord, the Agent will not be responsible for any negligence, damage, or breach of contract by any contractor employed in this way.

## 19. INSPECTIONS:

Under the Standard Management Service, the Agent will normally carry out inspections half yearly starting after the third month. Such inspections do not constitute a formal survey of the Property, and it is not the intention to check every item of the inventory at this stage. The inspection is concerned with verifying the good order of the tenancy (i.e. house being used in a 'tenant-like' manner) and the general condition of the Property. This would normally include inspecting the main items (carpets, walls, cooker, main living areas and gardens.) Where these were felt to be unsatisfactory, a more detailed inspection would generally be made.

## 20. TERMINATION:

**20.1 Termination of Agency Agreement.** This Agreement may be terminated by either party by way of two months' written notice. The Minimum Fee applies if on termination the total fees due are less than the Minimum Fee. Where cancellation of this Agreement is unavoidable due to circumstances beyond the control of either party, the Minimum Fee will not apply and any pre-payments will be returned to the person entitled to them, less any expenses reasonably incurred to the date of cancellation.

**20.2 Tenancy Agreement.** The Landlord shall provide the Agent with any requirements for return and repossession of the Property at the earliest opportunity. Landlords should be aware that any tenancy agreement entered into on the Landlord's behalf is a binding legal agreement for the term agreed. Details of any tenancy agreement being entered into will be communicated to the Landlord as soon as possible. Landlords should be aware that the legal minimum notice period to tenants under assured tenancies is generally two months (should the contract allow for early termination) and this needs to be given even in the case of a fixed term tenancy which is due to expire.

**20.3 Agreements signed away from the Agents office.** Where this Agency Agreement is signed away from the office the Landlord has a right to cancel under consumer protection legislation within 14 days ('a cooling off period') of the date of this Agreement.

## 21. INSTRUCTIONS:

It is agreed that any instructions to the Agent from the Landlord regarding termination, proceedings, major repairs, payment, or other significant details regarding the letting be confirmed to the Agent in writing.

## 22. KEEPING RECORDS:

The Agent agrees to keep copies of all forms, agreements and other correspondence in relation to the tenancy for the period of the tenancy and for a year from the date of expiry of the tenancy. The Agent will keep copies of all financial information for seven years.

## 23. COMPLAINTS:

Where the Landlord is unsatisfied with any service provided by the Agent he should contact the Agent in the first instance to try to resolve matters. The Agent has an in-house complaints policy which must be followed. The Agent is a member of *The Property Ombudsman* ([www.tpos.co.uk](http://www.tpos.co.uk)) and where the Landlord is unsatisfied with the way the complaint has been handled he may refer the matter to the scheme for a further decision, details of which are available upon request from the Agent.

24. ACCEPTANCE & VARIATION:

The terms of the Agreement set out in this document will constitute a binding legal contract. If you are unsure of your obligations under this Agreement, then you are advised to take independent legal advice before signing. This Agreement is set out to comply with the requirements of the Provision of Services Regulations 2009 SI 2999.

The terms and conditions of this Agreement may be varied by either party, but only with two months' prior written notice.

[ ] I consent to the Agent carrying out marketing work immediately (prior to any right of cancellation period) See paragraph 20.3 above. Tick box if this applies.

I wish the Agent to undertake the following service (Tick as applicable):

- [ ] Management Service
[ ] Rent Collection Service
[ ] Letting Only Service

I/we also confirm that we are the sole/joint owners of the Property known as:

(Property to be let)

Full address of the/all landlord(s) during tenancy:

Contact Number: Mobile Number:

Email address(s):

Owners bank details for payment of rent:

Account Name: Sort Code: Account Number:

IMPORTANT NOTICE: Clients should carefully read and understand the above terms of business before signing. (IF PROPERTY IS JOINTLY OWNED ALL PARTIES SHOULD SIGN)

Landlord(s) Full Name(s):

Signature of Landlord(s): Date:

Signature of Landlord(s): Date:



25. CANCELLATION FORM:

To [Agent]

I/We\* hereby give notice that I/We\* cancel my/our\* contract for the supply of the following service:

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Name of Landlord(s): .....

Address of Landlord(s): .....

.....

Signature of Landlord(s): ..... Date: .....

Signature of Landlord(s): ..... Date: .....

