

TERMS AND CONDITIONS
Lettings and Management



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 is not in arrears with mortgage payments, service charges or ground rents where applicable. The Landlord authorises the Agent to carry out the various duties of property management as detailed. The Landlord also agrees that the Agent may take and hold deposits. It is declared that the Agent may earn and retain commissions on insurance policies issued.

Collection of Fees:

For the **Let Only Service**, the full 80% plus VAT (of the first months rent) shall be retained from the first rental payment. If there are insufficient funds, the Landlord shall be invoiced for the outstanding balance.

For the **Full Management Service**, the rental will be collected on a monthly basis, 12% plus VAT fees shall be retained and the balance paid to the Landlord by cheque or BACS transfer. £150 plus VAT shall be deducted from the first months rent of every new tenancy.

Maintenance:

The Landlord must provide the property in a good lettable condition and ensure that all beds, sofas and soft furnishings conform to current fire safety regulations. The landlord agrees to make the Agent aware of any ongoing maintenance problems. Subject to a retained maximum expenditure limit of £200 on any single item or repair, and any other requirements or limits specified by the Landlord. The Agent will administer any miscellaneous maintenance work that needs to be carried out on the property (although the administration of major work works or refurbishment will incur additional charges- see scale of fees section). 'Retained maximum expenditure' refers to the agents authority to spend up to this amount (or other amount individually agreed) on reasonable improvements or repairs in any single monthly accounting period without prior reference to the Landlord.

For expenditure in excess of this, the Agent would normally request authorisation in advance, although it is agreed that in an emergency or for reasons of contractual necessity where reasonable endeavours have been made to contact the Landlord, the Agent may reasonably exceed the limits specified.

It is a legal requirement that all gas supplied or fired appliances are tested annually. The Agent will carry out said inspection on behalf of the Landlord and administer the necessary inspection and maintenance records. The reasonable costs involved will be debited to the Landlord's account. The Landlord agrees to repay the Agent for any reasonable costs, expenses or liabilities incurred or imposed on the Agent provided that they were incurred on behalf of the Landlord in pursuit of the Agent's normal duties. To assist the Agent in carrying out his duties effectively, the Landlord agrees to respond promptly with instructions where necessary to any correspondence or requests from the Agent.

Overseas Landlords:

When letting a property and collecting rent for Landlords overseas the Agent is obliged by law to deduct tax at the prevailing basic rate to cover any tax liability, unless the Landlord has been authorised in writing by the Inland Revenue to receive rent gross. In this situation, the Agent also requires that the Landlord appoints an accountant or reserves the Agent the right to employ a suitably qualified accountant in order to manage correspondence with the Inland Revenue. An annual charge may be applicable for this work and any further work requested by the Landlord.

Services:

The agent will take meter readings (where applicable) at each change in occupation of the property and inform the utility companies of said readings and occupiers. In many cases the service provider (e.g. BT) requires the new occupiers to formally authorise the service and it is not possible for the Agent to do this on tenant's or landlord's behalf. Payment of council tax will normally be the responsibility of the occupying tenants. Where a property is empty the payment of council rates rest with the owner of the property. Landlords should ensure all parties (banks, service charge companies, mortgage company, etc) of their new address. It is not always possible to rely on the tenants to forward mail.

Inventory:

It is always necessary to have a complete inventory of the property including all removable items including carpets, wall coverings, curtains, mirrors, sanitary wear and other articles that may need checking. We recommend using a professional inventory clerk and a charge will be made dependent on the size of the property and level of furnishings. The inventory should schedule the condition of said items and permanent fixtures (e.g. decoration, colours of walls, ceilings, doors, etc). Landlords should not leave items of exceptional value in the property without prior arrangement with the Agent. We will not take any responsibility for disputes arising or judged against the landlord by independent adjudicators should they not use a professional inventory clerk.

Tenancy Agreement:

All service levels include the preparation of a tenancy agreement in the Agent's standard form(s). Should the Landlord, advisors or mortgagees require amendment of the contract or require the Agent to enter into further work or correspondence, a fee for this extra work may be requested (or the Landlord may have the agreement amended by their own advisor at their own expense). Unless stipulated in writing, the Agent will sign the tenancy agreement on the Landlord's behalf.

Inspections:

Under the full management service, the Agent will carry out inspections upon request by the Landlord. The inspections are concerned with verifying the good order of the tenancy and the general condition of the property. The main areas of the property (carpets, walls, kitchen, gardens etc) will be inspected. It is not the intention of the inspection check every item of the inventory.

Holding Fees & Deposits:

A holding fee is generally taken from prospective tenants applying to rent a property. The purpose of this fee is to verify the tenant's seriousness to proceed with the let, and to protect the Agent against any administrative expenses that may have been incurred should the tenant withdraw the application. The holding fee does not protect the Landlord against loss of rent due to the tenant deciding to withdraw, or references proving unsuitable although early acceptance of rent from the applicant would not be advisable until satisfactory references have been received.

Upon signing the tenancy agreement, the Agent will take a security deposit from the tenants in addition to any rent due. The purpose of the deposit is to protect the Landlord against damage to the property during the tenancy. These deposits, held by the Agent, will be kept in an account in accordance with Government security deposit legislation. If the landlord wishes to register the deposit with a different scheme they must make the agent aware of this in writing before preparation of tenancy documents.

Should the agent become involved in any matters relating to the return of the deposit both landlord and tenant will be charged an administrative fee of £50.00+VAT per hour due from each party (minimum one hour charge). This amount must be paid before any negotiations begin and within five days of disputes arising.

Termination:

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 the 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.

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 Shorthold Tenancies is two full months** (should the contract allow for early termination).

Safety Regulations:

The letting of property is stringently regulated with respect to consumer safety. There are specific standards regarding the safety, servicing and inspection of the gas and electrical appliances and installations within a property, and with respect to the safety of furniture and soft furnishings provided. The following regulations apply:

- Furniture and Furnishings (Fire Safety) Regulations 1988
- General Product Safety Regulations 1994
- Gas Safety (Installation and Use) Regulations 1998
- Electrical Equipment (Safety) Regulations 1994
- Plugs and Sockets (Safety) Regulations 1994

The Landlord confirms that they have aware of these obligations accompanying this agreement to assist with compliance. It is agreed that the Landlord shall ensure the property is available for letting in a safe condition and in compliance with the above regulations. The Agent shall ensure that all relevant equipment is checked at the beginning of the tenancy or during the tenancy as required. The Landlord agrees to repay the Agent costs in incurring any reasonable expenses and penalties that may be suffered as a result of non-compliance of the property to fire and safety standards.

Instructions:

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

In instructing PLACES Birmingham to market and let your property you are acknowledging that you are in agreement with our terms of business and requirements.

Insurance:

The Landlord shall be responsible for the property being adequately insured and that the insurance policy is appropriate for a property being let (furnished or unfurnished). Should the Agent be required to administer any claims during the course of the tenancy additional charges for major works may apply.