

KAREN BAGGALEY

PREMIER ESTATES

LETTINGS AGREEMENT
TERMS & CONDITIONS

This Agreement is made between _____, hereinafter referred to as 'the Landlord', and **Karen Baggaley Premier Estates**, Old Station Buildings, Station Road, Endon, Stoke on Trent ST9 9DR acting as Agent for the Landlord and 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.

Tenancy Term

The Tenancy will be for a minimum period of **six months** (unless otherwise agreed), in accordance with the Housing Act 1988. The Tenant shall be responsible for all other services unless otherwise included.

Part and Full Management Service

The Agents provide a property management service to owners wishing to let out their property. The fee, as set out below in **The Service**, is taken as a percentage of the gross rents due for the period of the Tenancy.

1. To carry out an initial visit to inspect the property advising as to the likely income.
2. Advertising and generally marketing the property.
3. If there is no valid Energy Performance Certificate (EPC) we can arrange for a third party to carry out an EPC on behalf of the Landlord. The landlord will settle the cost of the EPC directly with the third party.
4. Interviewing prospective tenants and carrying out a credit file search or credit check. Where necessary, additional security would be requested by means of a guarantor. In the case of a company, full bank references would be taken.
5. Preparing the Tenancy Agreement and corresponding Notice necessary for the Landlord to gain protection of the relevant Rent and Housing Acts, renewing the Agreement where necessary at the end of the term.
6. To obtain a suitable security deposit from the Tenant, which will be 1 months dilapidation deposit.
7. Collecting the rent monthly and paying it over to the Landlord monthly normally within 14 days of collection less any fees or expenses due or incurred for the period. For Introductory Landlords the Agents will set up a Bankers standing order in favour of the Landlord, collection of first months rent paid into Landlords bank account less our fees.
8. Carrying out inspections of the property on a quarterly basis's. Note the responsibility for the management of empty property is not normally included, and will only be carried out by special arrangement.
9. Co-ordinating repair or maintenance including arranging for tradesman to attend the property and obtaining estimates where necessary, supervising works and settling accounts from rents received.
10. Making payments on behalf of the Landlord, from rents received, for water rates, insurance premiums, Council Tax, electricity, gas, service charges and necessary expenditure.
10. Preparing a full inventory of contents, fixtures, fittings and decoration and state their condition at an additional charge to the Landlord, including carrying out a full property inspection and inventory check at the end of each tenancy and dealing with matters relating to unfair wear and tear.

Introductory Service

Includes items 1 -6 listed above and the fee as set out below in **The Service**.

Landlord Fees

Finders fee: 60.00% of the first months rent

Representative example: If the monthly rent was £600.00 the fee would be:
£360.00 INCLUDING VAT

Full Management: 12.00% of rents collected (INCLUSIVE OF VAT)

Representative example: If the monthly rent was £600.00 the fee would be:
£72.00 INCLUDING VAT

Tenants Fees

Application Fee: **£180.00 INCLUDING VAT** per applicant

This fee includes the cost of checking credit files, obtaining references where applicable, income verification and preparation of tenancy related documentation.

Cancellation Charge

In the event that this agreement is cancelled during the period of a tenancy or after a suitable Tenant has been found then the charge will be equal to the greater of either:

- 1 The management fees due to the end of the tenancy agreement.
- 2 The management fees due to the end of the tenant's occupation of the property.

Property Maintenance

The Landlord authorise the Agents to arrange for any works/repairs that Agents consider to be of an urgent nature (to an amount equivalent to one months rent). The Landlord also agrees to invoices in relation to such work being deducted from the rent monies collected. Where no such funds are held by the Agents, the Landlord hereby agree to pay any invoices within fourteen days. The Agents hereby agree to seek prior authorisation, wherever practical. The Landlord hereby acknowledges that the Agents are unable to accept responsibility to arrange for any works/repairs or regular visits to be carried out in respect of unoccupied properties available for letting, without prior arrangement with the Landlord. Any works/repairs or visits carried out to said unoccupied properties may be subject to further charges.

Arbitration

Should a dispute arise between the Landlord and the Tenant, the Landlord hereby agrees to let the Agents act as Arbitrators and agrees to abide by their decision.

Fees & Commissions

Fees are due and payable immediately on a Tenant entering into a Tenancy Agreement with the Landlord. It is agreed that the Agents will deduct such fees from rent monies collected. In the event of a local authority demanding repayment whether in part or in full of housing benefit from the Agents and where funds being demanded have been passed to the Landlord, then the Landlord hereby acknowledges that the Landlord shall be responsible for refunding all monies to the Agents without any deductions whatsoever and immediately. Should the property at any time be sold to the Tenant introduced by the Agents the Landlord will be liable to a charge of .75% of the total sale price.

Cooling off Period and Right to Cancel

When you have agreed our contract terms and fees, and have signed the contract, you have fourteen days from the date of signature to cancel this contract. We are unable to market your property during this period unless you confirm in writing that you have checked and approved the marketing material and are happy to market your property within the cooling off period.

Insurance

The Landlord is hereby advised to ensure that there is insurance cover in force in respect of buildings, and contents if applicable, and that the insurer is aware that the property is available for letting. The insurance company must be notified of the date of occupancy. In addition, if the tenant is claiming housing benefit the insurer must be made aware of the fact.

Mortgage

The Landlord hereby certifies that should this property be the subject of a mortgage agreement, prior permission has been sought and obtained from the mortgage lender and that the Landlord has a copy of this authorisation which the Landlord is willing to produce on request for the letting of the property.

Deposits

Deposits taken from Tenants are held by the Agents in a Client Account who will act as Arbitrator. Deductions can only be made from this deposit once a claim against it has been substantiated by the Agents and, where appropriate, valid receipts have been obtained. Disputes arising as a result of a claim against deposit money held are subject to the Arbitration as outlined in this agreement.

Legal Requirements

It is illegal to let the property until we have been issued with current safety records:

- a) Gas Safety (Installation & Use) Regulations 1994. The Landlord accepts that gas appliances and installations must be checked and found to be safe by a CORGI registered engineer annually. The Landlord undertakes to ensure that the above mentioned property is inspected in accordance with the aforementioned regulations annually. If you require the Agents to have the safety check carried out on your on your behalf, prior to the tenants occupation, the fee is required to be paid in advance.
- b) Electrical Equipment (safety) Regulations 1995. The Landlord hereby certifies that the wiring at the property in both fixed electrical equipment and the building itself meets all electrical and fire safety regulations. The Landlord acknowledges that the appliances must be checked on an annual basis and agree to ensure a suitably qualified contractor is instructed to do so annually. Before a formal lease can be signed, a certificate must be issued by a qualified contractor initially and annually thereafter. If you require the Agents to have the safety check carried out on your behalf, prior to a Tenant's occupation, the fee is required to be paid in advance.
- c) Smoke Alarms. The Landlord hereby acknowledges that, where smoke alarms are installed at a property, and shall be responsible for ensuring that they are fully functional and fitted with new batteries (unless hard wired) before a new Tenant moves into the above mentioned property.
- d) Furniture and Furnishings (Fire) (Safety) Regulations 1993. All soft furnishings in furnished or partially furnished properties must comply with fire resistance requirements that came into force in 1988. The Landlord confirms that in relation to the above mentioned property no furniture exists which in any way contravenes these regulations.

The above mentioned regulations are subject to change and the Landlord accepts responsibility for ensuring that any amendments to either existing legislation and conditions are fully met. The Landlord accepts that the Agents have the right to have mandatory work and / inspections undertaken at the property if the Landlord fails to comply with any act of legislation affecting their property. The Landlord hereby agrees that this does not make the Agents responsible for doing the work and agree to meet all cost incurred ensuring the tenancy complies with legislation.

Data Protection

The Landlord hereby acknowledges and agrees to the Agent storing information relating to both the property and the Landlord on computer.

The Agents will automatically erect, free of charge, a 'To Let' board at the property once instructions To Let have been received. This will be replaced with the Agents 'Let By' board when the property has been Let (subject to the Town and Country Planning (Control of Advertisements) Regulations 1992 and any head lease restrictions).

If you do not wish for the Agents to erect a board at the property please indicate by ticking this box .

Payments

I, the Landlord authorise payments to be made directly into the account whose details are given below. I/We acknowledge that this payment method is to be set up by the Agents at no expense to myself/ourselves.

| | |
|---|------------------------|
| Bank/Building Society Name | |
| Address | A/C Name |
| | A/C No. |
| Post Code | Sort Code |

Definition

Landlord. The person who, by signature hereunder, instructs Karen Baggaley Premier Estates (the Agents) to act as Letting Agent and thereby agree to be bound by this Agreement whether in the capacity of owner or duly authorised person.

I/We have read and understood the terms and conditions stated herein and duly name Karen Baggaley premier Estates as Letting Agents.

_____ **Landlord(s) Signature(s)**

Date