

RESIDENTIAL LETTINGS AND MANAGEMENT - TERMS AND CONDITIONS

This Agreement is made between the Owner/s of the property/properties as named at the end of this Agreement, hereinafter called "The Owner", and the Agency named below acting as Agent for the Owner, and hereinafter called "The Agent".

A. THE SERVICE

Tenant Find Only Service

- 1) Providing a rental appraisal of the property/properties, and offering advice as required.
- 2) Preparing property details and advertising as necessary.
- 3) Arranging & carrying out viewings, dealing with negotiations & then passing prospective tenants details to landlord.
- 4) Providing an initial statement of account.

Tenant Find & Move-in Service (As in 1-4 above and the following)

- 5) Preparing and signing as Agent for The Owner a Property Mark approved assured shorthold tenancy agreement in accordance with current law.
- 6) Preparing an inventory and schedule of condition. An independent inventory is recommended & can be arranged for an additional charge.
- 7) Make all reasonable endeavors to notify the Local Authority and service companies (gas, electric, water) of a change of occupant, at the commencement of a tenancy, provided we have been given full details of the local authority, service companies and the property/properties reference number/s. We cannot accept responsibility for delays or inaccuracies on the part of the Local Authority or Utility Supplier if we are unable to access or identify appropriate service meters.
- 8) Collecting a security deposit from the tenant/s & depositing it into The Deposit Protection Service (equivalent to 5 weeks rent) and providing the tenant/s with Prescribed Information relating to this.
- 9) Advising on and ensuring compliance on the following legislation and more:
 - 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.
 - 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.
 - Electrical Equipment (Safety) Regulations 1994 and other relevant legislation with regard to the condition and safety of electrical equipment and appliances in tenanted premises.
 - Legionnaires Disease with regard to reducing the risk of legionella bacteria being present in water systems
 - Smoke Alarms & Carbon Monoxide Detectors with regard to the provision in all rented properties
 - 'Right to Rent in England & The 'How to Rent Guide'

*** Tenant Referencing will be charged at £60 per couple then £20 per subsequent applicant on the same tenancy**

Tenant Find, Move-in & Full Management Services (As in 1-9 above and the following in conjunction with the attached fee structure)

- 10) Receiving ongoing rental payments, preparing and forwarding to The Owner and/or their accountant financial statements on an annual basis, and remitting the balance of rental payments within one week of the due date, provided the same shall have actually been received.
- 11) Making payment of certain regular outgoings provided The Agent has agreed to do so separately in writing and that sufficient funds are held in credit.
- 12) Visiting the property/properties periodically (3 months after commencement of the tenancy and then every six months) to ensure compliance with the terms of the tenancy agreement and reporting accordingly to The Owner.
- 13) Arranging any repairs, maintenance or replacements to the property/properties or contents which come to or are brought to The Agent's notice and which The Agent considers necessary, up to an estimated cost of £120 inc vat for any one item or job, The Owner being responsible for the cost involved. We will of course attempt to discuss such works with The Owner prior to instructing them. Where the estimated cost exceeds £120 (inc vat), notifying The Owner or their nominated representative who will be responsible for arranging and paying for such work or replacement. Please note that we cannot arrange any works (unless in an emergency) without holding cleared funds to meet the liability.
- 14) Dealing with any necessary insurance claim on The Owner's behalf, with an admin fee equivalent to 10% of the claim being made to be charged subject to a minimum charge of £120 (inc vat).
- 15) Taking appropriate initial action in the event of rent arrears or any other breach of condition of the agreement in an effort to remedy the situation. Where such arrears or breach persists, informing The Owner or The Owner's nominated representative who will be responsible for taking any further action and meeting any costs involved other than if the rent protection & legal expenses warranty is taken out.
- 16) Liaising with the tenant on a routine basis, arranging renewals of the agreement or check-outs, re-advertising and re-letting to new tenants as appropriate.

B. NOTES AND GENERAL TERMS

- 1) If a mortgage exists on the property/properties the Owner must obtain the lender's consent to let and provide a copy of the said consent to us.
- 2) If The Owner is a leaseholder the terms of the lease must be checked and any necessary consent obtained to let and confirmed in writing.
- 3) The Owner must ensure that adequate cover exists under both building and contents insurance, and must inform the insurers that the property/properties is to be let.
- 4) The Agent's Service does not include supervision of the property/properties whilst unoccupied, despite visits made by staff in the process of re-letting. A caretaking service is available which is at additional charge.
- 5) The Owner hereby agrees to ratify all lawful actions taken by The Agent under this Agreement.
- 6) It is hereby agreed that The Agent may deduct from rental received all fees commissions charges and expenses payable or reimbursable to The Agent under the terms of this Agreement.
- 7) The Agent will not accept responsibility for frost or cold weather damage to water systems or subsequent damage caused thereby at any time, and The Owner should therefore ensure that such risks are covered by insurance. It is recommended that adequate arrangements are made with a third party to protect water systems from cold weather.
- 8) Where The Owner is resident in the UK income tax on rental from property is entirely The Owner's responsibility. However where The Owner is deemed to be resident overseas, unless exemption has been agreed, The Agent must deduct tax from rental received at the

prevailing rate and forward the same to the Inland Revenue on your behalf, a monthly charge will be made for this.

9) Whilst The Agent shall use their best commercial judgment in the selection of tenants and the execution of their Service hereunder, The Agent shall not under any circumstances be liable for non-payment of rent or any other outcome of the tenancy or for any legal costs resulting there from. Insurance policies are recommended to cover such risks.

10) This Agreement for our managed service will remain in force until terminated by service of six months' notice by one party on the other provided that The Agent may terminate this Agreement forthwith and without service of notice in the event of any action or omission by The Owner or The Owner's representative which frustrates the continued performance of The Agent's Service hereunder. There is a minimum cumulative monthly commission of £720 inc vat for our fully managed properties before our management service can be terminated. For subsequent lettings you hereby agree the fees charged will revert to those displayed on our website at the time.

11) We require at least 2 sets of keys for the main entry door/s including communal entrances doors to your property/properties. All adult tenants will require their own set plus we will need to keep a set on file. If you are unable to supply these we will have them cut at your expense and tested.

12) Should the tenant leave the property of their own accord, prior to the expiration of the tenancy, it is your responsibility to take legal action to recover any outstanding rent or compensation from the Tenant. We will however provide any assistance necessary.

13) Variations to this agreement will only be valid if agreed in writing with a director of Absolute Sales & Lettings Ltd. Acceptance of this agreement forms a binding legal agreement in accordance with English law and is subject to the jurisdiction of the court in England and Wales.

14) It is not part of our management service to forward your mail. No responsibility can be taken for mail sent to you at the property/properties. We recommend that you arrange for it to be redirected by the Post Office.

15) You will keep us reimbursed in respect of any claim, damage or liability suffered during the time that we are, or were acting on your behalf unless it is due to negligence or lack of action on our part. For the avoidance of any doubt we reserve the right to have work carried out on your behalf and to charge you for that work to ensure that you fulfil your contractual and statutory obligations as a Landlord.

16) By signing and returning this agreement, you irrevocably instruct us to act on your behalf, as your Agent, with your full authority to sign or complete on your behalf all documents necessary to carry out the effective management of your property/properties and in the event of you being unobtainable, upon terms we consider to be reasonably acceptable to you.

17) Whilst Absolute Sales & Lettings Ltd will endeavor to address any maintenance issues as soon as possible it must be understood that we do not provide a 24 hour emergency call out service. Landlords insurance should provide this cover.

18) Absolute Sales & Lettings Ltd are members (D05037) of The Property Ombudsman – www.tpos.co.uk

19) Absolute Sales & Lettings Ltd are members of the ARLA Propertymark Client Money Protection Scheme

C. FEES (All fees and charges inc VAT @ 20%)

1) Advertise, Tenant Find, Move-in & Initial Set-up Fees

This agreement is on a sole letting rights basis and our fees will remain payable even if you let it privately or via another agent. The notice period to cease our marketing is 4 weeks. Fees are set at the rate shown on the attached fee structure and are inclusive of VAT except where stipulated. This fee will become payable upon the agreement of granting a tenancy to the tenant/s, and will be deducted from the monies received by us for the first month's rent subject to clause C.5. If the fee payable is higher than the first month's rent the landlord will be invoiced for the outstanding amount or if it is fully managed the outstanding amount may be carried forward to the following month. The tenant deposit will be held with the Deposit Protection Service. Agency fees won't be deducted from tenant's security deposits. You should allow 5-10 days after the commencement of the tenancy for outstanding funds to reach your account. A holding fee equivalent to 1 weeks rent will be paid by the tenant to reserve the property. Should a prospective tenant withdraw or fail the referencing, up to a maximum of £150.00 from the holding deposit will go towards the costs incurred by Absolute.

2) Management Fee

All rent collection and management fees are set at a percentage of the monthly rental received subject to a monthly minimum fee as shown on the attached fee structure along with an initial fixed set up fee as per the attached fee structure. A £249 (£207.50 + vat) Setup Fee will be payable for each subsequent agreement granted to new tenants. An Administration Fee of £60 (£50.00 + vat) will be payable on the occasion of each renewal of an existing agreement. The monthly management fee is based on the rent falling due.

3) Preparation of Inventory

All properties we are responsible for moving tenants into will require an inventory before the commencement of a tenancy. An unfurnished inventory is included in our standard & premium management services and is available to purchase for our other services. Please be aware that whilst we endeavor to produce a fully comprehensive move-in inventory we cannot guarantee deposit monies will be paid back to the landlord in the case of an end of tenancy deposit dispute which is mediated by the deposit protection service. It is important that the property is ready for the inventory to be carried out 2 working days prior to the agreed move in date, if we are unable to effectively carry it out due to failure to remove items, lack of cleaning etc, you agree to indemnify us of any loss that you may incur due to the lack of an accurate inventory.

4) Overseas Landlords

If you are a Non UK resident we are legally obliged to deduct tax from your monthly rental income at the prevailing rate in the absence of written approval from the Inland Revenue. In the absence of this exemption certificate we will deduct tax and forward this to the Inland Revenue. There will also be a monthly administration charge of £15 (£12.5+VAT)

5) Administration Charges

Once an offer has been accepted orally or in writing by you, we will start to take up references and prepare to draw up the tenancy agreement. If you subsequently inform us that you do not want to proceed, even if the referencing has not been completed, you will be charged an administration charge of £499.00 (£415.83 +vat) which will cover the work we will have already undertaken on your behalf plus the cost of referencing your tenants (£60 for the first 2 applicants, £20 for subsequent applicants)

6) Caretaking Service

We can arrange for scheduled visits once each week to your property, including collection of post, watering houseplants, checking doors and windows. etc. The visits take place between normal working hours Mon-Fri. There will be an additional charge of £30 per visit.

7) Compliance Checks

Where we receive your instructions to organise a Safety Check to ensure compliance, fees will be charges as per the attached fee structure. If you inform us that you already have or are organising a Gas Safety Certificate yourself but do not provide us with a copy 2 working days before the commencement of the tenancy we will instruct a check at your expense to ensure compliance.

8) Rent Guarantee & Legal Expenses Warranty

This valuable cover will protect your investment and ensure that the rent keeps flowing. We provide rent protection under our premium management service that will cover up to 6 months worth of rent arrears.

D. CONFIRMATION OF INSTRUCTION

Important - The letting and/or management of your property/properties cannot proceed until this document has been signed, dated and returned to us.

Landlord 1 (initials) Landlord 2 (initials)

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Property Address/es Postcode
..... Postcode
..... Postcode

Initial rental asking price/s per calendar month: £..... / £..... / £.....

Landlord 1 (full name)

Tel: Mobile: Email:

Landlord 2 (full name)

Tel: Mobile: Email:

Address for correspondence Postcode

I/we the undersigned, declare that I am/we are sole/joint owners of the above freehold/leasehold.

I/we* confirm that I/we* have read this Agreement and that Absolute Sales & Lettings Ltd have explained to me the implications of The Fire and Furnishings (Fire) (Safety) (Amendment) Regulations 1988 (amended 1989 & 1993), The Gas Safety (installation and Use) Regulation 1994, and the Electrical Safety Regulations 1994.

In the following section please tick as appropriate

1. I/we declare that for the duration of the tenancy will shall be: Resident in the UK for tax purposes Non resident in the UK for tax purposes

2. I/we further declare that should our status change during the tenancy I/we will notify Absolute Sales & Lettings Ltd immediately

3. I/we accept these terms and conditions of business and wish you to provide the service/s marked below on the terms stated herein.

Please tick which Level of Service You Require: (all fees are inclusive of VAT and are payable on move in of new tenant)

- | | |
|--|--|
| <input type="checkbox"/> Tenant Find Only | <input type="checkbox"/> Tenant Find & Standard Management |
| <input type="checkbox"/> Tenant Find & Move-in | <input type="checkbox"/> Tenant Find & Premium Management |
| <input type="checkbox"/> Tenant Find & Rent Collection | |

Notes:

I am happy for pets to be considered at my property	<input type="checkbox"/> Yes	<input type="checkbox"/> No
I am happy for children to be considered at my property	<input type="checkbox"/> Yes	<input type="checkbox"/> No
I am happy to accept Housing benefit (subject to the tenants having a suitable guarantor)	<input type="checkbox"/> Yes	<input type="checkbox"/> No

Please tick which of the following you would like us to arrange on your behalf

N.B. If you do not require us to arrange them please provide us with a copy of the following before the new tenancy commences. Please see the pricing structure supplied in your landlord pack.

- | | |
|---|--|
| <input type="checkbox"/> Energy Performance Certificate | <input type="checkbox"/> Electrical Safety Report (EICR) |
| <input type="checkbox"/> Gas Safety Check | |
| <input type="checkbox"/> Boiler Service | |
| <input type="checkbox"/> Legionnaires Risk Assessment | |

Notes:

Landlord 1 (signed) Date.....

Landlord 2 (signed) Date.....

(IF PROPERTY/PROPERTIES IS JOINTLY/CO-OWNED ALL PARTIES SHOULD SIGN)

Bank A/C No..... Sort Code.....

Account Name..... Bank Name.....

Branch Address.....

DPS Landlord ID Number or deposit scheme alternative

FULL MANAGEMENT PACKAGE & CHARGES

	Compliance & Rent Collection	Standard Management	Premium Management
Price Per Month*	8%* (6.67% +VAT)	12%* (10% + VAT)	15%* (12.5% + VAT)
Initial Set-Up Fee	£449	£399	£349
Tenant Referencing	£60 (up to 2 people)	✓ (up to 2 people)	✓ (unlimited)
Unfurnished Move - In Inventory	£84	✓	✓
Furnished Move - In Inventory	£132	£48	✓
Monthly Rent Collection	✓	✓	✓
Monthly Rent Statement	✓	✓	✓
Landlord Payment App	✓	✓	✓
Rent Arrears Chasing (Up to 2 phone calls & 2 letters)	✓	✓	✓
Issuing & Informing on any new compliance updates	✓	✓	✓
Gas, Legionnaires & Electric Safety Reminders	✓	✓	✓
Immigration Right to Rent Renewal	✓	✓	✓
6 monthly Property inspections (From Month 3)	+	✓	✓
Dealing with Maintenance Issues with Access to 'Fixflo'	X	✓	✓
Out of Hours Emergency Call Answering	X	✓	✓
Rent Increase & Tenancy Renewals	+	+	✓
Move Out Inventory	+	+	✓
Deposit Dispute Handling	+	+	✓
Serving Section 21	+	+	✓
Legal Expenses Warranty	X	X	✓
Rent Protection & Legal Expenses inc. Arrears Chasing	X	X	✓
Annual Portfolio Review Meeting	X	X	✓
Re-Let Fee for subsequent tenancies	£249	£249	£249

⊕ This can be arranged for an extra fee.

*Subject to a minimum fee of £50 for rent collection; £65 for standard management; £80 for premium management.

TENANT FIND ONLY PACKAGES & CHARGES

Marketing, Viewing, Referencing Bundle:

£499 inc VAT

- Accompanied viewings
- Proactive and Knowledgeable Team
- Negotiation of Tenancy
- Advertised Online on Rightmove, Zoopla, On The Market, Prime Location and More
- Advertised on the Absolute Website
- 24 Hour Phone Answering – Never miss a prospective tenant!
- Full Colour Floorplans
- Promoted in the Windows of our Town Centre Offices
- 1st Month's Rent Collection
- Initial Statement
- Option to Upgrade to Tenant Find & Move-In

Tenant Find & Move In:

£599 inc VAT

As Above plus:

- Tenancy Agreement
- Prescribed Information Relating to Deposit
- Utility Notification
- Issue Tenants with Full Compliance Pack & Information
- Deposit Collection & Submission to TDPS
- Subscription to our monthly newsletter
- Option to Upgrade to Fully Managed

Landlords Gas Safety Certificate ¹	Each	Gas Safety & Boiler Service £119.00	All 3
Boiler Service	£79.00	Gas Safety & Legionnaires £139.00	£169.00 (save £68)
Legionnaires Disease Risk Assessment²			
Energy Performance Certificate³	£100.00 (Direct to supplier) No vat		
Tenant Referencing	£60 for up to 2 tenants per application (then £20 per tenant after)		
Overseas Landlord Tax Deduction Admin Fee	£15.00 per month		

Landlord 1 (initials)

Landlord 2 (initials)

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EXTRA OPTIONAL SERVICES

Property Inspections	£60
Rent Increase & Tenancy Renewals	£60
Move In Inventory	£84
Check Out Inventory	£60
Deposit Dispute Handling	£120
Serving Section 21	£60
Key Cutting	£12 per key (security keys may incur further charge)

Utility Void Periods – Standard & Premium Management Only

In the interests of saving you money, we have teamed up with Homeshift Energy who will take-over the gas and or electricity supplies and for the void period, between tenancies, for up to 28 days whilst the property is vacant, make no charge for consumption, under a fair use policy, of the utilities.

As the landlord of the property, at the end of a tenancy you inherit your former tenant's suppliers, meaning you are subject to whatever tariff the current energy suppliers charge. With so many tenants switching suppliers during their tenancy, and to reduce the number of issues for our landlords, our role has always been to identify who supplies the property and to ensure that the energy company has the correct information required to ensure you are only invoiced for the energy that you are actually responsible for and that previous bills are closed down effectively to smooth the way for the incoming tenant.

We will now extend this service even further to ensure that whilst your property is empty, you won't be subject to the supplier tariffs of your former tenant and will instead benefit from not being charged for the gas and electricity consumed during any void period, between tenancies, for up to 28 days.

We will arrange for the transfer of the utility suppliers from your former tenant's suppliers to Homeshift Energy, who at no time commit you or your future tenant to remain with them and should any party wish to move to another supplier at any time this can be done without any penalty.

Should you require any further information about this void period programme or indeed any aspect of the letting of your property and management of your tenancies, please do not hesitate to contact us.

If you do not wish for us to do this please tick here