



**HARPERS AND HARRISON IS AN ARLA LICENCED MEMBER (WWW.ARLA.CO.UK)
CLIENT MONEY PROTECTION (CMP) PROVIDED BY: ARLA
INDEPENDENT REDRESS PROVIDED BY: TPOs**



TERMS AND CONDITIONS OF BUSINESS LETTINGS AND MANAGEMENT SERVICE

1. In providing this service we shall:
 - a) Visit the property, agree with you the rent to be quoted and prepare particulars.
 - b) Market the property and accompany prospective tenants to view the property.
 - c) Report offers to you or, if instructed, accept offers on your behalf at a minimum rental set by you.
 - d) Take up references on the prospective tenant (once an offer has been agreed).
 - e) Notify the suppliers of gas, electricity, water and the relevant Council Tax Authority of the change in occupier, close the accounts in your name - and advise the Tenant of his obligation to take up accounts in his name.
 - f) Arrange for an inventory to be prepared by an independent inventory clerk and for the inventory to be checked by an independent inventory clerk at commencement and termination of the tenancy. Please see notes re inventories - the cost of compilation of the Inventory is payable by the Landlord.
 - g) Arrange for the Landlord and Tenant to sign the Tenancy Agreement and any relevant notices.
 - h) Receive rent on your behalf, forwarding the balance (less any deductions) to you or to your bank as instructed.
 - i) Collect hold the deposit (please see Notes. 3.3 re. deposits).
 - j) Liaise with the Tenant and yourself as to renewal or extension of the Tenancy.
 - k) If instructed, pay outgoings on your behalf such as ground rent, service charges, and insurance premiums, annual service contracts (subject to our holding sufficient funds on your behalf to meet payments).
 - l) Visit the property twice per year when a Tenancy is in place.
 - m) Deal with minor repairs and replacements.
 - n) Generally deal with matters arising on a day-to-day basis.

2 FEES

Our fee for the Lettings and Management Service is 16 per cent plus V.A.T at 20 per cent (19.2 per cent including V.A.T at 20 per cent) and is calculated as a Lettings Fee of ten per cent and a Management fee of six per cent - of the total rent reserved under the terms of the Tenancy Agreement and for any renewal or extension. For tenancies of 6 (six) months or less our fee is 21 per cent plus V.A.T at 20 per cent (25.2 per cent including V.A.T at 20 per cent) and is calculated as a Lettings Fee of fifteen per cent and a Management fee of six per cent of the total rent reserved under the terms of the Tenancy Agreement.

The Lettings portion of our fee (ten per cent) is due in advance at the commencement of and for the term of each tenancy, renewal or extension. However, providing that we receive rental on your behalf we can arrange to invoice our fees with the same frequency as rental payments and deduct the amount due to us from your rental income. The management portion of our fee is payable in advance at the same frequency as rental payments are due. We reserve the right to deduct fees from rental income collected on your behalf.



In the event of any party introduced by ourselves entering into a tenancy agreement (whether or not administered by ourselves) with the Landlord, our Letting fee will apply and will be charged accordingly. Lettings fees for extensions or renewals apply whether or not the extension or renewal is negotiated or administered by us.

For the purpose of calculation of our fees "rent" is defined as any payment to be made by the Tenant for the use of the property, whether expressed as rent, premium or any other form of payment and whether paid directly by the Tenant or obtained by other means such as deduction from the deposit.

IMPORTANT NOTE: Your attention is drawn to the notes in section 3 and to charges not included in our fees. All fees are subject to value added tax at the current rate.

3 NOTES

3.1 **Tenancy Agreements:** Unless otherwise instructed - or unless the Tenant wishes to use his own Agreement (as is the case with many corporate Tenants) we shall use our standard Tenancy Agreement. There is a charge of £150.00 + VAT at 20 per cent (£180 including V.A.T at 20 per cent) to the Landlord for this. We are not Solicitors and do not accept liability for any problem arising out of the Tenancy Agreement. If you wish to provide your own Tenancy Agreement or make any amendments to ours, please allow sufficient time for the Tenant to approve the Agreement before signature. Our fee to the Landlord for the drawing up of an extension document is £60.00 + VAT at 20 per cent (£72.00 including V.A.T at 20 per cent)

3.2 **Inventories:** We consider it vital that an up-to-date and professionally compiled inventory and schedule of condition of the property is used for all Tenancies (even unfurnished lets). Inventory charges are **not included in our fees** and we shall endeavour to arrange the services of independent inventory clerks unless you advise to the contrary. The cost of the creation of the inventory (and up-date when necessary) is borne by the Landlord and the costs of checking the inventory (at commencement and termination of Tenancy) are usually shared between Landlord and Tenant – some corporate Tenants however insist upon using their own inventory clerk in addition to the clerk appointed by the Agent, in these cases you will be liable for the cost of the clerk appointed by us on your behalf. Costs depend on the size and contents of the property - we can obtain an estimate for you if required however the inventory clerk may not be able to gauge the exact cost until the job has been completed. In arranging the services of independent inventory clerks we cannot be held liable for any errors or omissions on their part. If you supply your own inventory to us it should be up-to-date and should confirm that furniture and furnishings comply with Fire Regulations. It is advisable to list instruction booklets on the inventory. **GUIDE TO INVENTORY CLERK CHARGES:** Please note that these prices are meant as a guide only, properties vary in size, no. of bathrooms, amount of contents - and some properties may have several reception rooms, utility room, garage, garden, terraces etc. If you require an estimate regarding your particular property please ask. V.A.T is included in the guide price.

TYPE OF PROPERTY	PREPARATION OF INVENTORY	CHECK AT COMMENCEMENT OF TENANCY	CHECK AT TERMINATION OF TENANCY
1 BED	£125	£120	£120
2 BED	£150	£140	£140
3 BED	£175	£160	£160
4 BED	£195	£180	£180
5 BED	£250	£200	£200

3.3 Deposit: The deposit we shall collect from the Tenant will be the equivalent of 4 or 6 weeks' rental (unless otherwise agreed, for example some corporate Tenants may request to supply a Letter of Guarantee in lieu of a cash deposit) and in the case of an Assured Shorthold Tenancy will be transferred to The Deposit Protection Service. Details and Terms and Conditions of the Deposit Protection Service are available on request - or visit WWW.DepositProtection.com. If the Tenancy is a non Assured Shorthold or a Company Let we will hold the deposit in our client account in a Stakeholder capacity.

At the end of the Tenancy we will receive the check out report and should there be any dilapidations attributable to the Tenant we will obtain estimates and liaise with you and the Tenant as to the costs to be claimed from the Deposit. Providing we hold sufficient funds to meet payments, we will arrange any cleaning, repairs and replacements necessary to prepare the property for re-letting. Prior to authorizing release of the deposit we shall require written agreement from the Landlord and the Tenant as to any costs to be deducted from the deposit.

Consents: If your property is subject to a mortgage you will almost certainly need permission to let from your Lender. If the property is leasehold you may need permission to let from your Freeholder. You may need a licence to let and if so must obtain the licence (cost to be borne by yourself). There may be restrictive covenants in your lease, which should be brought to the notice of the Tenant either by incorporation into the Tenancy Agreement or by way of providing the Tenant with a copy of the lease.

You must also ensure that any letting does not exceed the length of your lease. You should inform insurers of a letting as failure to disclose the fact that the insured property is let may result in any future claim being rendered void. Insurers may need details of the Tenant's occupation. Please note that the Landlord is responsible for obtaining all consents and we cannot accept responsibility for any problems, which may arise due to consents not being sought or granted, nor can we accept any liability for Tenants not being made aware of restrictive covenants in your lease. If required, we will assist in the seeking of consents at a separate charge of £75 plus VAT at 20 per cent (£90 including V.A.T at 20 per cent) per consent.

3.4 Proof of Ownership: We shall need proof of ownership before we are able to organise a Letting for you (e.g. permission to let from your Mortgagee or Freeholder).

3.5 Insurance: The Landlord is responsible for the insurance of the building and his own contents (you should ensure that your insurance covers occupier's liability). The Tenant is responsible for the insurance of his own contents.

3.6 Stamp Duty: Stamp Duty is payable by the Tenant.

3.7 Legal Expenses, Court or Tribunal Appearances: Should it be necessary to take legal action against a Tenant the Landlord is responsible for the instruction of a Solicitor and the costs involved. Applications to the Rent Assessment Committee or appearances before any other court or Tribunal will be by special arrangement only and will be subject to an additional fee of £50 per hour plus V.A.T at 20 per cent (£60 per hour including V.A.T at 20 per cent)

3.8. Safety Regulations: As a Landlord you are obliged to comply with: -

- *The Furniture and Furnishings (Fire) (Safety) Regulations 1993*
- *The Gas Safety (Installation and Use) Regulations 1994/1996*
- *Electrical Equipment (Safety) Regulations 1994*

Upon signing these terms and conditions of business you agree to comply with the above regulations and indemnify us against any costs or liabilities incurred by us or imposed against us as a result of your non compliance with the regulations. We will require a current Landlord's Gas Safety Certificate before we let your property (if you have not supplied a current certificate prior to the letting we reserve the right to arrange a gas safety check at your cost) If the Gas Safety Certificate expires during a Tenancy we will have it renewed on your behalf (subject to holding sufficient funds to cover the cost). We recommend that you fit a **carbon monoxide detector** at your property.

We would expect you to have electrical checks carried out at regular intervals (e.g. annually) and attend to any recommended improvements promptly so that your property meets current safety standards. We would also expect you to have portable appliances (supplied by you) tested regularly to ensure that they comply with regulations..

FOR FURTHER INFORMATION SEE THE ELECTRICAL SAFETY COUNCIL WEBSITE

www.esc.org.uk

- 3.9 The Landlord and Tenant Act 1985 (Section 11)** Under this Act the Landlord is obliged to keep in repair the structure and exterior (including drains gutters and external pipes) of the property and keep in repair and "proper working order" all the installations for the supply of gas, electricity and water, the sanitary installations and any installations for the heating of space or water.
- 3.10 Tax on Rental Income:** Where a Landlord is resident outside the UK for tax purposes (and we are collecting rental on his behalf) unless we hold an exemption certificate (issued to us by the Inland Revenue) in respect of the Landlord we must deduct from rental income the tax due and pay this to the Revenue on a quarterly basis. To obtain an exemption certificate the Landlord must complete an application to the Revenue (we can supply the application form) for permission to receive rental without tax deducted. Where a property is jointly owned each Landlord must complete an application. In the event that we are obliged to make payments of tax to the Inland Revenue we cannot accept responsibility for judging allowances to be taken into consideration before calculation of tax due and we accept no liability for under or over payments.
- 3.11 Other Agents:** Unless instructed to the contrary we reserve the right to offer the property to other agents for the purpose of introduction of a tenant (this will not involve any additional costs to yourself as we will share our fee with the other agent should a Tenant be found by this means).
- 3.12 Advertising:** Our Advertising may include promoting your property by use of a "To Let" board, advertising in magazines, on the internet and in the window of our premises. Unless we are instructed to the contrary we shall assume that you have no objection to these methods of promoting your property. After letting your property we will place a "let agreed" sign at the property for a reasonable time (if local government rules and regulations permit)..
- 3.13 Interest on Clients' Funds:** The calculation of interest due on individual funds held in the Client Account is complex and time consuming and in order to calculate interest due to each client we would need to levy an administration charge which may, in some cases, amount to more than the interest due. We do not therefore attempt to credit interest to Landlords or Tenants on any funds held in the Client Account. Unless you advise us in writing to the contrary we shall assume that you are in agreement with this policy.

- 3.14 Landlord and Tenant Act 1987 Section 47/48:** You must provide to the Tenant an address in England or Wales where he can serve Notices (including Notices in proceedings) upon you. The name of the Landlord and an address in England or Wales must also be included on any rent demand. If we are preparing the Tenancy Agreement for you and/or demanding rental on your behalf we shall use our office address for this purpose (unless we are instructed otherwise in writing) however we accept no liability for any loss or damage suffered as a result of the use of our address for this purpose.
- 3.15 References:** We reserve the right to use a "one-stop" Tenant Vetting Service. If a company search is required the Landlord is responsible for the cost of the search.
- 3.16 Utilities/Council Tax:** We will endeavour to close your accounts for gas, electricity, water rates, and the telephone (if applicable) prior to the Tenancy and if necessary transfer these accounts (with the exception of the telephone) back to your name between tenancies. Please note that we will need the name of your supplier and the account number. We cannot be held responsible for any errors on the part of the suppliers of these services. Some suppliers require instructions from the Tenant before opening an account in his name and we advise the Tenant as such. We will advise the relevant Council Tax Department of the change in occupier at the commencement and end of each Tenancy however we cannot be held responsible for any errors on their part. In the event that it is necessary for us to wait at a property for connection of services we shall charge for our time at the rate of £50 per hour plus VAT (£60 per hour including V.A.T)
- 3.17 Rental payments:** We endeavour to forward rental payments (less deductions) to you as soon as possible after receipt of cleared funds. Please note that we do request that tenants pay rental to us by Banker's standing order however where a Tenant pays rental by cheque we must allow at least 10 days for clearance. We shall forward payments due to you by cheque or send a cheque to your bank (as instructed). A statement will be sent to you when rental is remitted.
- 3.18 Property Visits:** 2 visits per year for the purpose of inspection are included in our management fee. These visits amount to a surface inspection only, do not entail an inventory check and can only extend to obvious or apparent defects or defects brought to our attention by the Tenant. A property inspection does not in any way amount to a structural survey or a warranty as to the state and condition of the property. We accept no responsibility for hidden or latent defects or for failure to notice anything concealed from us. If we find matters that need to be brought to your attention we will do so.
- 3.19 Working Fund:** In order to deal with the management of your property we will require a working fund in order to be able to make payments on your behalf. The minimum fund required will be £500 and in cases where rental is received quarterly we shall require a fund of at least £1,000. The working fund will be deducted from rental received unless otherwise agreed.
- 3.20 Keys:** We shall require sufficient sets of keys to enable us to issue one set to each tenant/occupier and keep one set at our office. Where it is necessary to obtain additional copies of keys we shall do so and charge you accordingly. If you have lost or misplaced any keys to the property we recommend that the lock be changed prior to a new tenant taking occupation.
- 3.21 Repairs/Replacements, Non Routine Repairs/Works, Requests for Instructions:** We shall deal with routine repairs and replacements at a cost of up to £250 per item without prior consultation. For any repairs or replacements over and above that amount we shall endeavour to obtain estimates for your approval. It is vital that our requests for instructions are answered promptly and in a case of emergency or, in the event that we have requested your instructions or approval but have not received a reply within a reasonable period of time, we reserve the right to, at our discretion, authorise expenditure on your behalf. For arranging works costing in excess of £1,000.00 we will make an additional charge of 10 plus V.A.T at 20 per cent (12 per cent including V.A.T at 20 per cent) of the total cost of the works. Please note that our lettings and management personnel are not surveyors and where non-routine or complicated works or repairs are involved we would expect you to employ a surveyor or suitably qualified person to supervise works.

- 3.22 Deductions from Rental:** We will deduct payments due on your behalf (including payment of our fees) from rental received on your behalf, however if there is insufficient rental/working fund held on your behalf to cover forthcoming payments you will be required to transfer funds to us on demand.
- 3.23 Preparation of Property for Letting/Furnishing Service:** If the property has not been let before, or not let via ourselves before, we can assist in preparing the property for letting. Depending on the amount of time and work involved we may charge an additional fee and will provide a quotation on request. We can provide a furnishing/redecoration service for you at an additional charge - quotations available upon request.
- 3.24 Waiting Time:** If we are required to wait at the property for deliveries (e.g. of appliances), connection of services (e.g. gas, water, electricity) or for matters relating to repairs which are the responsibility of the Landlord we shall make an additional charge for our time at the rate of £50 per hours plus V.AT at 20 per cent (£60 per hour including V.A.T at 20 per cent)
- 3.25 Void Periods:** Our management service does not involve supervision of the property during void periods (e.g. prior to the first tenancy or between tenancies) however, if the property is being marketed for letting through ourselves we would normally be visiting to show prospective tenants around and should we notice anything which we feel should be brought to your attention we would advise you. The Landlord is responsible for informing Insurers when the property is vacant and unattended. If you require supervision during void periods please ask for a quotation.
- 3.26 Overseas Telephone Calls, Faxes, Email, Postage:** We reserve the right to charge for these communications to you (cost price).
- 3.27 Instructions to Suppliers/Contractors:** Whilst care is taken in the instruction of suppliers, tradesmen, contractors, inventory clerks, cleaners and any other parties we may, in the course of business, employ on your behalf, we are unable to accept liability for any errors or omissions on their part or for any loss or damage suffered as a result of their actions.
- 3.28 Payment of Outgoings:** Although we will use our best endeavors to query any obvious discrepancies we are entitled to pay and accept without question accounts and demands which appear to be in order. We cannot be held responsible for problems arising from non-payment of accounts where demand for payment has not been received.
- 3.29 Insurance Claims:** FCA regulations prevent us from handling insurance claims for you.
- 3.30 Termination of Management Contract:** Either party giving 3 months' written notice may terminate the management service. On termination of the management service our Lettings fee remains payable for the duration of the Tenancy (including any renewals).
- 3.31 General:** The rent we quote to Tenants on your behalf should be inclusive of all outgoings, which are your responsibility (e.g. ground rent, service charges). If you are in doubt please check with us before we quote rent. We have no obligation to you at any time where our fees remain outstanding. All references to the masculine gender include the feminine and to the singular include the plural.
- 3.32 Energy Performance Certificate: Prior to marketing your property you will need a valid Energy Performance Certificate. We can arrange this at your expense if required.**
- 3.33 Smoke Alarms/Carbon Monoxide Detector**
You will need to install a smoke alarm on every habitable floor of the property (including mezzanine floors). The alarms must be tested and confirmed as working on the first day of any new tenancy. The law requires you to install a Carbon Monoxide detector in rooms where there is solid fuel heating - however we strongly advise you to install a detector at your property whatever the heating arrangements.
- 3.34 Right to Cancel -** If you are a consumer client and this contract was not agreed within one of our branches you have the right to cancel this contract within 14 days without giving any reason. The cancellation period will expire after 14 days from the day this contract was agreed. To exercise the right to cancel, you must inform us of your decision to cancel this contract by



sending us a clear statement in writing to Harpers and Harrison, 53 Abingdon Road, London W8 6AN or emailing us at rentals@harpersandharrison.co.uk To meet the cancellation deadline, it is sufficient for you to send your communication concerning your exercise of the right to cancel before the cancellation period has expired. We are not legally permitted to market your property until the cancellation period has expired, unless you provide us with specific written permission to do so. (Please note that If you do request that we begin immediate marketing of your property during the cancellation period and you then exercise your right to cancel, if we have introduced a Tenant to the property who subsequently rents the property from you this contract will be deemed to have been fully performed and the agreed agency fee will be due) Please sign, date and indicate below how you would like us to proceed.

Begin immediate marketing of the property / Do not begin immediate marketing of the property
(Please delete as appropriate)

Signed

Dated

ACCEPTANCE OF TERMS AND CONDITIONS OF BUSINESS

Property to be let:-

Declaration:

I/we confirm that I/we have read and understood the foregoing terms and conditions of business and instruct **HARPERS AND HARRISON** to provide the **Lettings and Management Service** in respect of the above property. I/we confirm that I/we am/are the sole owner/s of the above property and have obtained all necessary consents to let the property.

I/we confirm that I/we am/are:

- a) Resident in the UK for tax purposes. Should I/we become non-resident in the UK for tax purposes **HARPERS AND HARRISON** is collecting rental on my/our behalf, I/we will immediately inform **HARPERS AND HARRISON**
- b) Non-resident in the UK for tax purposes

Please delete a) or b) as applicable and initial

I/We agree to indemnify **HARPERS AND HARRISON** against any costs, expenses or liabilities incurred or imposed against them provided that they were incurred on my/our behalf in pursuit of their normal duties.

Signed:

Print Name:

Dated:

Please provide all relevant contact details below

