

Boococks

BOOCOCKS ESTATE AGENTS

RENTAL DEPARTMENT

TERMS OF BUSINESS FOR LANDLORDS AS AT 01/06/2010

This document sets out the service we provide in our Rental Agency. Please read it carefully as it contains useful information on the letting of your property and forms the contract between us.

1. **MANAGEMENT**

We will actively market your property in an effort to secure suitable tenants. After meeting potential tenants and assessing their suitability we will obtain a tenant reference where possible. From the tenant reference we would hope to assess where possible the tenant's ability to pay the rent, their previous conduct as a tenant and their stability. We will also check if they have any outstanding County Court Judgements and carry out a public record check. Once we have received the result of the tenant reference we will contact you to ascertain whether or not you wish to place the tenant in the property and, if so, we will prepare a tenancy agreement. When a tenant has taken possession we will receive rent payments, inspect the property on at least a quarterly basis, arrange for normal maintenance (see repairs below) for which the landlord is responsible, and render a detailed account for income and expenditure to you.

2. **INVENTORY**

We will prepare an Inventory of the contents of your property unless you instruct us otherwise. We will prepare a schedule of the condition (which will include a video) of your property. On vacating, a further video of the property will be taken and the condition report and inventory are checked. The report is sent onto you together with a bond release letter. Where necessary, revised inventories are prepared for subsequent tenants.

3. **REPAIRS**

Once the tenant notifies us of a repair we will request the relevant workman to call at the property as soon as possible.

If the repair is immediate we will instruct the workmen to carry out the repair on your behalf as soon as possible. If the repair is not immediate and is in excess of £150.00, we will contact you to agree that the repair can be undertaken and you must advise us as to how you wish to proceed. If you do not wish us to have the repair carried out you must make alternative arrangements to have those repairs undertaken as soon as possible.

At the commencement of the tenancy we will provide the tenant with contact numbers for our workmen outside office hours. If a workman is contacted outside office hours

and he considers the repairs to be necessary and immediate he will where possible carry them out.

In all cases where repairs are undertaken the costs of the repairs will be passed on to you. Where possible we will pay for the costs of the repair out of rents collected.

IMPORTANT If you wish to instruct your own workmen, please complete the details at the end of this Agreement providing full names, addresses and telephone numbers, including an emergency number. Please confirm that your details and the details of your workmen can be passed on to your tenant(s) to enable them to liaise with you in respect of the works.

4. **SERVICES**

At the start and the end of the tenancy we will notify the gas, water, electricity and Council Tax authorities providing them with the details of the tenant, the commencement or termination date, and where applicable, meter readings. The relevant accounts will then be altered to the name of the tenant for the duration of the tenancy. At the determination of the tenancy relevant authorities will be notified and all the bills will be transferred into your name until a subsequent tenant is found.

TELEPHONES

British Telecom have a system whereby each time a tenant takes possession, and for the duration of the tenancy, the tenant is the subscriber and thus responsible for all accounts including any charge plus VAT when a change takes place. When an owner re-occupies, a charge will be made for the telephone to be reinstated into the owner's name. It is in your interests to take this action in order that there is no liability for any calls or rental charges that the previous tenants may have incurred. One problem that does occur is that when new telephone directories are printed, the subscriber for the time being will be listed and the landlord's name removed from the directory.

GAS

It is now law for the gas equipment in a rented property to be checked annually by a GAS SAFE Registered installer and to keep accurate records of work carried out on all appliances. These checks have to be formally recorded and a valid certificate (known as a Landlords Gas Safety Certificate) lodged with us for inspection and a copy for the tenant. Failure to do so could lead to your prosecution and imprisonment. It is your responsibility to ensure that your gas appliances are safe and that a Landlords Gas Safety Certificate has been issued. Should you require us to carry out the servicing of your gas appliances and/or obtain the Landlords Gas Safety Certificate you should inform us in writing. We will then instruct a registered heating engineer to carry out the necessary inspection, which will incur their fees, which we will deduct from any rental income. Please note, a Landlords Gas Safety Certificate must be in our possession prior to the commencement of any tenancy.

ELECTRICITY

As the landlord, it is your responsibility to ensure that the electricity supply is safe. If a tenant is injured because of an unsafe or dangerous installation, you may be liable. We advise that a periodic inspection report be carried out by a NICEIC approved contractor every five years and any recommended work completed. Electrical appliances which are left in the property should be checked annually or after each tenancy. You should also ensure that you are properly insured against any claim a tenant may bring arising out of a defective or unsafe electrical installation. Should you require us to carry out the servicing, inspection or repairs of your electrical installation and appliances, you should inform us in writing. We will instruct a NICEIC approved contractor to do so and deduct their fees from any rental income. Please note, a Periodic Inspection Report must be in our possession prior to the commencement of any tenancy

5. **ENERGY PERFORMANCE CERTIFICATE**

It is now Law for all landlords to provide to any prospective tenant an Energy Performance Certificate. The penalties for not providing an Energy Performance Certificate are severe. We can arrange for an Energy Performance Certificate for your property if required.

6. **INCOME TAX**

Income from rental properties is usually subject to Income Tax at the standard rate. If you are a civilian outside the UK then the tax authorities will raise an assessment against us for any tax due. In these cases we reserve the right to retain a portion of the rental to meet this liability. This may be avoidable if you complete the necessary form supplied by the Inland Revenue allowing you to accept rent gross of tax.

7. **THE TENANCY AGREEMENT**

We recommend that all rental tenancies are Assured Shorthold Tenancies for a minimum period of six months

8. **MORTGAGES**

PLEASE NOTE THAT CONSENT OF YOUR BUILDING SOCIETY/BANK MUST BE OBTAINED BEFORE YOU LET A PROPERTY WHICH IS SUBJECT TO A MORTGAGE

Unless you inform us otherwise in writing, we will assume that you have obtained the Mortgagee's consent.

9. **DAMAGE/WEAR AND TEAR/DEPOSITS**

We will obtain from the tenant, prior to commencement of the tenancy a bond/deposit against damage or rental default. The amount of the bond is at least one month's rent plus £100.00 (unless a lower/higher figure is agreed with you prior to a tenant taking occupation).

It must be remembered that the property will be subjected to the stresses and strains of everyday living. A property cannot be expected to be in the same condition at the end of the letting as it was at the commencement. The internal decorations may need attention

after two or three years of occupation by tenants. Fair wear and tear cannot be charged against the bond. It is usually only malicious and unnecessary damage to the property or its fixtures which can be.

It is your responsibility to ensure that all equipment and fittings on a property are maintained and in working order. Where possible we strongly recommend service and maintenance agreements. Clients must ensure that we have full details of such agreements.

The tenancy deposit We are a member of the Tenancy Deposit Scheme, which is administered by:

The Dispute Service Ltd
PO Box 541
Amersham
Bucks
HP6 6ZR

phone 0845 226 7837
email deposits@tds.gb.com
fax 01494 431 123

We will hold the Deposit under the terms of the Tenancy Deposit Scheme and a charge will be made for each new tenancy unless you instruct us otherwise.

The Agent holds tenancy deposits as Stakeholder (if not already specified within the Tenancy Agreement)

At the end of the tenancy covered by the Tenancy Deposit Scheme

If there is no dispute we will keep any amounts agreed as deductions where expenditure has been incurred on behalf of the Landlord, or repay the whole or the balance of the Deposit according to the conditions of the Tenancy Agreement. Payment of the Deposit will be made within 10 working days of receiving written consent from both parties.

If, after 10 working days* following notification of a dispute and after reasonable attempts have been made in that time to resolve any differences of opinion, there remains an unresolved dispute between the Landlord and the Tenant over the allocation of the Deposit it will (except sums over £5,000 - see below) be submitted to the Independent Case Examiner (ICE) for adjudication. All parties agree to co-operate with any adjudication.

When the amount in dispute is over £5,000 the Landlord and the Tenant agree by signing the Tenancy Agreement to submit the dispute to formal arbitration through the engagement of an arbitrator appointed by the ICE although, with the written consent of both parties, the ICE may at his discretion accept the dispute for adjudication. The appointment of an arbitrator will incur an administration fee, to be fixed by the Board of The Dispute Service Ltd from time to time, shared equally between the Landlord and the Tenant. The liability for any subsequent costs will be dependent upon the award made by the arbitrator.

The statutory rights of either you or the Tenant(s) to take legal action against the other party remain unaffected.

It is not compulsory for the parties to refer the dispute to the ICE for adjudication. The parties may, if either party chooses to do so seek the decision of the Court. However, this process may take longer and may incur further costs. Judges may, because it is a condition of the Tenancy Agreement signed by both parties, refer the dispute back to the ICE for adjudication. If the parties do agree that the dispute should be resolved by the ICE, they must accept the decision of the ICE as final and binding.

If there is a dispute we must remit to The Dispute Service Ltd the full deposit, less any deductions already agreed by the parties and paid over to them. This must be done within 10 working days of being told that a dispute has been registered whether or not you or we want to contest it. Failure to do so will not delay the adjudication but The Dispute Service Ltd will take appropriate action to recover the deposit and discipline us.

As your agent we must co-operate with the ICE in the adjudication of the dispute and follow any recommendations concerning the method of the resolution of the dispute.

10. **NON PAYMENT OF RENT**

Whilst every effort is made to find suitable tenants, should a tenant fail to pay the rent or damage your property, this will be the tenant's responsibility, not ours. We will take reasonable steps to try and recover from the Tenant any outstanding rent. However, if payment is not forthcoming we will refer you to our legal department who will be happy to advise on appropriate legal action. Any such action will not be covered by our management fee and will be charged for separately

11. **EMPTY PROPERTIES**

Unless special arrangements are made our management of the property will only operate for the period when the property is let.

12. **INSURANCE**

It is your responsibility to advise your building and contents insurers of your intention to let the property. They may advise on any additional cover or exceptions that are necessary.

13. **BURST PIPES**

Please ensure that all water pipes and storage tanks are sufficiently lagged. Burst pipes will be your responsibility both during the tenancy and when the property remains empty.

14. **INCORRECT INFORMATION**

As Landlord you warrant that all the information you have provided is correct to the best of your knowledge and belief. In the event that you provide incorrect information to us which causes us to suffer loss or causes legal proceedings to be taken then you agree to reimburse and compensate us for all losses suffered.

15. **LETTING FEES**

- (a) A setting up fee plus advertising will be charged. This sum is payable whenever a new tenant is found for your property and then takes occupation. This fee covers our expenses in setting up the tenancy agreement, preparation of rental brochures, photographs, inclusion on our Website, showing prospective tenants around your property, dealing with any tenant application including a tenant reference.
- (b) The commission of the monthly rental plus VAT at the appropriate rate will be deducted from the rent collected
- (c) If you require us to prepare Income and Expenses account for your accountant and/or the Inland Revenue, an additional fee will be charged.
- (d) If the file is passed to our legal department, the Solicitors will charge on an hourly basis, details of which will be supplied to you before any work is undertaken.
- (e) Should the property be withdrawn prior to a tenant being found you agree to reimburse us for all advertising costs incurred in marketing the property together with a cancellation fee to cover administration costs.
- (f) Should the property have been placed for Sale with Boococks Estate Agents and solicitors and there are any outstanding fees these fees will be deducted from the rent monies received.

16. **CLIENT CARE**

One of our Rental Administrators will handle the management of your property. In the event of any problem which cannot be resolved directly with your Rental Administrator, please feel free to raise your matters in writing with Mrs Maureen Cawthorn, the managing partner of the firm.

17. **HOUSING BENEFIT CASES**

Occasionally the Local Authority claim from us an overpayment of Housing Benefit. This can arise because the tenant gives a incorrect leaving date or for other reasons. As recipient of the Housing Benefit, we will reimburse the amount of the overpayment on your behalf, from either the bond or the final rental payment, and account to you for the balance. If you dispute the repayment claim we will refer you to our legal department as set out in paragraph 12 (d)

18. **TERMINATION OF THE AGREEMENT**

- (a) This agreement can be terminated by either party giving two months notice in writing
- (b) Upon termination you agree to pay Boococks Solicitors and Estate Agents any outstanding fees due under this agreement to us.
- (c) If the contract is terminated during the occupancy of a tenant placed by us, the sum equivalent to six months commission (i.e. 6 x the monthly commission plus VAT) becomes due and payable upon the termination.