

PLA CES

birmingham

SELL • MANAGE • LET

RENTING YOUR PROPERTY

TERMS AND CONDITIONS

GENERAL TERMS OF BUSINESS

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 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. £360.00 including VAT shall be deducted from the first month's 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.) are informed 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

The preparation of a tenancy agreement in the Agent's standard form(s) is included. 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 or the agents representative will carry out inspections annually. 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 deposit of one weeks rent will be 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 deposit 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.

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 are 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).

LEGAL PROCEEDINGS

Any delays of payments or other defaults will be acted on by the Agent in the first instance. Where the Agent has been unsuccessful in these initial actions or there are significant rent arrears or breaches of the tenancy agreement, the Landlord will be advised accordingly.

A solicitor would then be appointed and instructed by the Landlord (except where the Agent is unable, after reasonable efforts, to contact the Landlord. In that event the Agent is authorised to instruct a solicitor in the Landlord's behalf). The Landlord is responsible for payment of all legal fees and any related costs.

RENEWALS

The agent shall assume consent of the Landlord to renew unless instructed otherwise in writing, the tenancy is renewed or extended to the same tenant (or any person associated with the tenant) originally introduced by the Agent, the fees structure shall extend to cover the extended term.

The Agent shall arrange the creation of the necessary extension paperwork. The tenancy shall then continue on the same percentage of rental for the remainder of the term. The Agent shall prepare the addendum, if required, for new or extended tenancy and the terms of this agreement shall continue until the tenant leaves, or this agreement is terminated.

ABORTIVE FEE

Should the Landlord after agreeing the let (whether verbally or in writing), withdraw, they will be charged the minimum fee for the tenancy. This totals £500. This charge will not apply should the tenant fail referencing.

SALE OF PROPERTY

In the event that a tenant, their acquaintance, or body corporate associated with such a tenant, introduced by us, purchase the property, then commission shall be payable to us on completion of such a sale at the rate of 1.5% + VAT of the eventual sale price. The commission is to be deducted from the proceeds of the sale by the Landlord's solicitor.

VAT

Will be calculated at the prevailing rate.

CLIENT MONEY PROTECTION PROVIDED BY:
www.propertymark.co.uk



MEMBERS OF INDEPENDENT REDRESS SCHEME:
www.tpos.co.uk



MEMBERS OF THE TENANCY DEPOSIT SCHEME:
www.tenancydepositscheme.com



LANDLORD FEES SCHEDULE

PRE-TENANCY FEES (ALL SERVICE LEVELS)

Arranging and facilitating statutory compliance (this is in addition to the costs of the item itself) if not provided on instruction or undertaken by the landlord:

Energy Performance Certificate (EPC) £78.00 (inc. VAT) per tenancy
 - Gas Safety Certificate (GSR) £78.00 (inc. VAT) per tenancy
 - Electrical Installation Condition Report (EICR) £95.00 (inc. VAT) per tenancy
 - Portable Appliance Testing (PAT) £95.00 (inc. VAT) per tenancy
 - Legionella Risk Assessment £95.00 (inc. VAT) per tenancy
 - Installing Smoke alarms and Carbon Monoxide varies dependent on type of fitting (inc. VAT) per tenancy

START OF TENANCY FEES

Set-up Fees: £360.00 (inc. VAT) per tenancy. Referencing for up to two tenants (ID checks, Right-to-Rent check, financial credit checks, obtaining references from current or previous employers / landlords and any other relevant information to assess affordability) as well as contract negotiation (amending and agreeing terms) and arranging the signing of the tenancy agreement.

Management Fees: 12% (plus VAT) per tenancy.

Additional Tenant Referencing Fees: £20.50 (inc. VAT) per tenant. As Set-up Fees above for additional tenants.

Guarantor Fees: £20.50 (inc. VAT) per guarantor. Covering credit referencing and preparing a Deed of Guarantee (or as part of the Tenancy Agreement).

Permitted Occupier Fees: £20.50 (inc. VAT) per permitted occupier. Explaining to any permitted occupier their rights and responsibilities towards the named tenant(s) and landlord.

Deposit Registration Fees (where collected): **£NO CHARGE** (inc. VAT) per tenancy.

Register landlord and tenant details and protect the security deposit with a Government-authorized Scheme. Provide the tenant(s) with the Deposit Certificate and Prescribed Information within 30 days of the tenancy start date.

Inventory Fees: See schedule below:

| | Check-In Inventory | Check-Out | Mid-Term |
|--------------------|--------------------|-----------|----------|
| Studio | £60.00 | £60.00 | £30.00 |
| 1 Bedroom | £66.00 | £66.00 | £30.00 |
| 2 Bedroom | £72.00 | £72.00 | £30.00 |
| 3 Bedroom / Duplex | £78.00 | £78.00 | £30.00 |

All prices include VAT.

Accompanied Check-in Fees: £95.00 (inc. VAT) per tenancy. Attending the property to welcome the tenant(s), confirm the Inventory and Schedule of Condition, explain the operation of appliances, highlight the location of utility meters, stop-cocks etc. and test that all smoke alarms and carbon monoxide detectors are present and in working order. This is subject to an approved Inventory as above.

Landlord Withdrawal Fees (before move-in): £500.00 (inc. VAT) per tenancy. To cover the costs associated with the marketing, advertising and tenancy set-up should the landlord withdraw from the tenancy before it has started.

DURING TENANCY FEES

Additional Property Visits: £30.00 (inc. VAT) per visit. Should the landlord request property visits in addition to those within their existing Terms of Business, this covers the costs of attending the property.

Rent Review Fees: **£NO CHARGE** (inc. VAT) per tenancy.

Review rent in accordance with current prevailing market conditions and advise the landlord, negotiate with the tenant(s), direct tenant(s) to make payment change as appropriate, update the tenancy agreement and serve a Section 13 Notice if the tenancy is on a periodic basis.

Renewal Fees: £115.00 (inc. VAT) per tenancy.

Contract negotiation, amending and updating terms, deposit registration and arranging for the signing of a further tenancy agreement.

Right-to-Rent Follow-Up Check: **£NO CHARGE** (inc. VAT) per check. Undertaking a repeat check in person on a time-limited visa in accordance with the Immigration Acts 2014 and 2016. Notifying the Home Office should an illegal overstayer be identified. This does not apply to a Tenant-Find service.

Landlord Withdrawal Fees (during tenancy): £500.00 (inc. VAT) per tenancy. To cover the costs associated with advising the tenant on the change and the position of the security deposit, transferring the security deposit to the landlord or new agent, notifying all utility providers and local authority (where necessary) and returning all relevant documents held by the agent to the landlord. This does not apply to a Tenant-Find service.

Arrangement Fees for works over £1,000.00: 5% surcharge of net cost (inc. VAT). Arranging access and assessing the costs with any contractors, ensuring work has been carried out in accordance with the Specification of Works and retaining any resulting warranty or guarantee. Fully Managed service only.

END OF TENANCY FEES

Check-out Fees: **£NO CHARGE** (inc. VAT) per tenancy. Attending the property to undertake an updated Schedule of Condition based on the original inventory and negotiating the repayment of the security deposit.

Tenancy Dispute Fee: £75.00 (inc. VAT) per tenancy. The costs associated with the preparation of all evidence and submitting the case to the tenancy deposit scheme as well as dealing with all correspondence relating to the dispute. This only applies where the agent has protected the deposit.

Fees for the service of Legal Notices (Section 8 or Section 21): **£NO CHARGE** (inc. VAT) per Notice.

Court Attendance Fees: £220.00 (inc. VAT) per attendance.

FINANCIAL CHARGES

Interest on Unpaid Commission: 5% above the Bank of England Base Rate from Due Date until paid.

Contractor Commission: 10% of contractors invoice (inc. VAT). To cover the costs associated with arranging and facilitating the visit of a vetted professional tradesperson.

Submission of Non-Resident Landlords receipts to HMRC £25.00 (inc. VAT) quarterly. To remit and balance the financial Return to HMRC on both a quarterly and annual basis.

Additional HMRC Reporting Fees: £25.00 (inc. VAT) per request. Responding to any specific queries relating to either the quarterly or annual Return from either the landlord or HMRC.

Fees for providing an Annual Income and Expenditure Schedule: **£NO CHARGE** (inc. VAT) annually.

Fees for paying property service charges and ground rents: **£NO CHARGE** (inc. VAT) annually.

Same-Day Payment Fees: £9.00 (inc. VAT) per payment. Should the landlord request a payment faster than the agreed timescales within their existing Terms of Business, this covers the costs of providing a same-day payment service.

OTHER FEES AND CHARGES

Arrangement Fees for refurbishments over £1,000.00: 5% of net cost (inc. VAT). Arranging access and assessing the costs with any contractors, ensuring work has been carried out in accordance with the Specification of Works and retaining any resulting warranty or guarantee.

Obtaining more than two contractor quotes: £30.00 (inc. VAT) per quote, unless the contractor charges more for providing a quote. Fully Managed service only.

Vacant Property Management Fees: **£NO CHARGE** (inc. VAT) per visit. To cover the costs associated with visiting the property to undertake visual checks on the inside and outside at a frequency mutually agreed with the landlord.

Management Take-over Fees: **£NO CHARGE** (inc. VAT) per tenancy. To cover the costs associated with taking over the management of an ongoing tenancy, ensuring all statutory compliance has been undertaken, confirming everything under "Set-up Fees" above, receiving and protecting the security deposit and providing all necessary legal documentation to the tenant.

Deposit Transfer Fees: £48.00 (inc. VAT) per deposit. Should the landlord request any changes to a protected deposit during a tenancy, this covers the costs associated with legal compliance for said request.

| |
|------------------|
| Property Address |
| Parking |
| Landlord Name(s) |
| Landlord Tel |
| Landlord Email |

Additional Details

CLIENTS SHOULD CAREFULLY READ AND UNDERSTAND ALL TERMS BEFORE SIGNING. THE AGENT SHALL HOLD NO RESPONSIBILITY FOR MISREAD OR MISUNDERSTOOD TERMS ONCE AGREEMENT HAS BEEN SIGNED.

Landlord Signature Agent Signature

Date: Date: