

Instruction for Letting/Management the basics



Please read the below in tandem with the 'Small Print' on pages 3 and 4. Once you have chosen your service level, please sign this document and return to the office in order for us to advertise your property.

IF YOU HAVE ANY QUESTIONS AT ALL, PLEASE CONTACT US TO SATISFY YOURSELF OF THE ANSWERS BEFORE YOU SIGN TO INSTRUCT US; NO DISCUSSION WILL BE ENTERED INTO FOR MISREAD OR MISUNDERSTOOD TERMS AFTER SIGNING.

I wish the Agent to undertake the following service:
(please tick the desired service)

Find Tenant Only – One month's rent inc VAT.

Find Tenant Only extensions – £150 inc VAT if tenancy continues as a monthly tenancy or £150 inc VAT for each fixed term extension.

Full Management – £100 inc VAT administration fee at the start of each new tenancy, then we deduct 15% plus VAT every time rent is collected.

I/we also confirm that we are the sole/joint owners of the property.

IMPORTANT NOTICE: Clients should carefully read and understand the terms of business before signing.

Property Address:

Landlord(s) Signature(s):

Date: _____

Agents Signature: _____

Date: _____

By signing these terms and conditions (which constitute a formal instruction) you confirm:

- You have sought permission from your lender to let this property
- You do not have any arrears on your mortgage account for this property
- Your service charge and ground rent payments are all up-to-date and will continue to be paid by you

PLEASE NOW COMPLETE THE PROPERTY INFORMATION BOXES ON PAGE 2

what is included in each service level?

	Find Tenant Only	Full Management
Advertising and accompanied viewings	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Tenant referencing	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Collection & retention/submission of deposit	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Negotiation and administration of extensions	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Notifying utility companies of change of tenancy	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Collection of rent	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Periodic inspections	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Handling of maintenance calls	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Co-ordination of repairs	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Administration of bill payments (eg. service charge, landlord utility bills etc)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
24 hour emergency line for tenants	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Full check out report and handling of necessary works	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

how do the fees work?

FIND TENANT ONLY – one month's rent inc VAT.

FIND TENANT ONLY EXTENSIONS – £150 inc VAT if tenancy continues as a monthly tenancy or £150 inc VAT for each fixed term extension.

FULL MANAGEMENT – £100 inc VAT administration fee at the start of each new tenancy, then we deduct 15% plus VAT every time rent is collected

any other costs?

ENERGY PERFORMANCE CERTIFICATE – £80 plus VAT (required for marketing every property)

PROFESSIONAL INVENTORY – price dependent on property (required for each new tenancy)

GAS SAFETY CERTIFICATE – please contact office for pricing (these are only required for properties with gas)



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property information – for completion by landlord(s)



property information — for completion by landlord

ALARM CODE

OTHER AGENTS INVOLVED

PARKING SPACE NUMBER(S)

BUILDING ACCESS CODE/S & ENTRY METHOD/S

LOCATION OF KEYS

CURRENT TENANT CONTACT DETAILS (If applicable)

AVAILABLE FROM (Date)

BLOCK MANAGEMENT AGENTS AND CONTACT DETAILS

notes – is there anything we need to know about the property, or any special agreements which you have negotiated with us?



Terms and Conditions for Letting/Management

the small print



TO BE READ AND UNDERSTOOD BEFORE COMPLETING PAGE 1

Find Tenant Only – One month's rent inc VAT.

Find Tenant Only extensions – £150 inc VAT if tenancy continues as a monthly tenancy or £150 inc VAT for each fixed term extension.

- Advertising and accompanied viewings
- Tenant referencing
- Collection & retention/submission of deposit
- Negotiation and administration of extensions
- We do not co-ordinate check out

Full Management - £100 inc VAT administration fee at the start of each new tenancy, then we deduct 15% plus VAT every time rent is collected.

All of the Find Tenant Only services, plus:

- Collection of rental and payment to the Landlord's nominated bank account (fees deducted monthly)
- Regular inspections of the property whilst tenanted
- Co-ordination of repairs or maintenance access
- Making payments on behalf of the Landlord, (service charge, ground rent and relevant utility payments)
- Co-ordination of the check out procedure
- Notifying utility companies of change of tenancy

Additional fees for extraordinary services:

Administration of tax returns	£350 inc VAT per annum
Duplication and testing of extra keys	Cost of key plus £3 inc VAT admin to be discussed and agreed
Extraordinary advertising	
Co-ordination of decoration / maintenance or insurance claims	10% of total cost / claim

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 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 **Find Tenant Only** service, we will collect a full month's rent from the tenants and retain in full as our fee, inclusive of VAT.

For any extension period, the Landlord shall be invoiced upon commencement of each extension. If the tenancy continues as a monthly tenancy, we will invoice once for £150 inc VAT. If the tenancy is extended for a fixed term, we will invoice for £150 inc VAT each time a new fixed term commences for the paperwork we shall prepare.

For the **Full Management** service 15% plus VAT fees will be retained every time rent is collected, and the balance passed to the Landlord's nominated bank account. The £100 including VAT administration fee will be retained from the first month's rent.

Maintenance:

The landlord agrees to provide the letting property in good and lettable condition and that the property, beds, sofas and all other soft furnishings conform to the current fire and safety regulations. The Landlord agrees to make the agent aware of any ongoing maintenance problems. Subject to a retained maximum expenditure limit (UK landlords: £200, overseas landlords: £250) 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 works or refurbishment will incur an additional charge – see Additional Fees above). 'Retained maximum expenditure limit' means that the Agent has authority to spend up to this amount (or other amount as 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. By law, it is necessary to carry out an annual inspection and service for central heating and any gas appliances. The Agent will carry this out on the landlord's behalf and expense 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 residents:

When letting property and collecting rents for landlords overseas the agent is obliged by the Taxes Management Act (TMA) 1970 and the Taxation of Income from Land (Non-Residents) Regulations 1995 to deduct tax (at the basic tax rate) to cover any tax liability, **unless the landlord has been authorised in writing by Inland Revenue to receive rent gross.** In this situation, the agent also requests 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. A standard annual charge will be made for this work and reasonable administration expenses may be charged by the agent for further work requested by the landlord, the landlord's accountant or the Inland Revenue in connection with such tax liabilities. **FleetMilne insist upon receiving an NRL certificate.**

Services:

The agent will take meter readings at each change of occupation in the Property and inform the service companies (electricity, gas and water) of these readings and change of occupation. In many cases, the services companies (eg. BT) require that the new occupiers formally request and authorise the service and it is not possible for the Agent to do this on the tenant's or landlord's behalf. **Regarding mail, Landlords should take care to inform all parties (eg. Banks, service charge & ground rent companies etc.) of their new address;** it is not always possible to rely on tenants to forward mail. Payment of Council tax will normally be the responsibility of the tenants in the property. However, landlords should be aware that where a property is empty, responsibility for payment of council tax then rests with the owner of the property.

Inventory:

It is necessary to have an inventory prepared for the property. We recommend using a professional Inventory Clerk and a charge will be made for their services depending on the size of the property. A standard inventory will include all removable items in the property plus carpets, paintwork, wall coverings, curtains, mirrors, sanitaryware and other articles that, in the opinion of the agent, need regular checking. Landlords should not leave any articles of exceptional value in the property without prior arrangement with the agent. The standard inventory service also includes a full schedule of condition (condition, colour & decoration of ceilings walls, doors, and door fittings etc). It does not include photography; this can be prepared at the landlord's request.

Tenancy Agreement:

Both service levels include the preparation of a tenancy agreement in the agent's standard form(s). Should the Landlord, his advisors or mortgagees require amendment of the contract or require the agent to enter into work or correspondence, a fee for this extra work may be requested (or you may have the tenancy agreement amended by your own advisor at your own expense). Unless otherwise instructed in writing, under both services the agent will sign the agreement on the landlord's behalf.

Inspections:

Under the Full Management Service, the agent will carry out periodic inspections. It is not the intention to check every item of the inventory at this stage; the inspection is concerned with verifying the good order of the tenancy (i.e. property being used in a 'tenant-like' manner) and the general condition of the Property. This would normally include inspecting the main items (carpets, walls, cooker, main living areas etc). Where these were felt to be unsatisfactory, a more detailed inspection would generally be made. Following the departure of tenants, a final inspection of the Property is carried out by the inventory clerk. Service testing of all the electrical appliances, heating system and plumbing is not feasible during this inspection; a qualified contractor should be appointed for this purpose should it be required by the landlord. Under the Full Management service, any deficiencies or dilapidations which fall beyond the Tenant's responsibility (eg. redecoration necessary due to wear and tear) would normally be submitted to the Landlord for approval, together with any costs.

Holding fees & deposit:

A holding fee is generally taken from a tenant applying to rent a property. The purpose of the fee is to verify the tenant's serious intent to proceed, and to protect the agent against any administrative expenses (taking out bank references, conducting viewings, re-advertising) that may be incurred should the tenant decide to withdraw the application. **The holding fee 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.** Landlords should notify the agent where they wish a larger security fee or deposit to be carried to protect against loss of rents, or insurance undertaken.

Upon signing the tenancy agreement, the agent will take a dilapidations deposit from the tenant(s) in addition to any rents due. The purpose of the dilapidations deposit is to protect the landlord against damage to the property during the tenancy itself. These deposits, held by the agent, will be kept in a separate secure client account ready for refunding (less any changes due) at the end of the tenancy.

In accordance with Tenancy Deposit Legislation, the deposit will be administered in the appropriate manner, dependent upon the type of tenancy agreement used.

Instructions:

It is agreed that any instructions from the agent to the landlord regarding termination, proceedings, major repairs, payment details or other significant details regarding the letting be confirmed to the agent in writing.

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 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 tenancies is two months (should the contract allow for early termination) and this needs to be given even in the case of a fixed term tenancy which is due to expire.**

Safety regulations:

Warning: You should read and understand these obligations before signing this document.

The letting of property is now closely regulated with respect to consumer safety. The law makes particular demands regarding the safety, servicing and inspection of the gas and electric 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 (amended 1989 and 1993)
- 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 that the property is made available for letting in a safe condition and in compliance with the above regulations. The landlord agrees to repay the agent costs in incurring any reasonable expenses or penalties that may be suffered as a result of non-compliance of the property to fire and appliance safety standards.

Insurance:

The landlord shall be responsible for the property being adequately insured and that the insurance policy covers the situation where the property is let, **whether furnished or unfurnished**. The agent would normally be responsible for the administration of any claims arising during the period of management where the property is being managed (i.e. this only applies to properties under the "Full Management" service) and subject to an additional charge for major works (see "Maintenance" and "Additional Fees").

Legal proceedings:

Any delays of payment 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 taking reasonable efforts, to contact the landlord. In that event the agent is authorised to instruct a solicitor on the landlord's behalf). **The landlord is responsible for payment of all legal fees and any related costs.**

Renewals:

Where, with the consent of the landlord, the tenancy is renewed or extended to the same tenant (or any person associated with the tenant) originally introduced by the agent, the fee structure shall extend to cover the extended term. FleetMilne Residential will arrange the creation of the necessary extension paperwork. The tenancy shall then continue on the same percentage of the gross rental for the remainder of the term. The Agent shall prepare the Addendum, if required, for the new or extended tenancy and the terms of this agreement shall continue until the tenant leaves, or this agreement is terminated. Renewal fees are applicable to both Find Tenant Only and Full Management service levels.

Abortive fee:

Should the landlord, after agreeing the let (whether verbally or in writing), withdraw, they will be charged an abortive fee for the tenancy. This totals £500.00 PLUS VAT. This 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, purchases the property, then commission shall be payable to us on completion of such a sale at the rate of 2% plus VAT of the eventual sale price. The commission is to be deducted from the sale proceeds by the landlord's solicitor.

VAT:

VAT will always be calculated at the prevailing rate.