

Terms of Business

This Agreement sets out the terms of a contract between the landlord and Ash Residential and details the obligations of each party to the other. This is a legally binding contract once signed and dated by both parties. Every effort has been made to use plain language in setting out this Agreement but inevitably there are some legal terms, the definitions of which are set out below.

Please read this document carefully and request an explanation of anything you do not understand before signing it.

Definitions	
Agent	Ash Residential
Landlord	the person(s), firm or company named in the Agency Agreement
Property	the property specified in the Agency Agreement together with any common ways or shared facilities of the Property forms a part and any fixtures, fittings and furniture belonging to the Landlord.
Tenant	the Tenant(s) introduced by the Agent who remains in occupation of the Property.
Agency Agreement	The Agency Agreement is the part signed by the Landlord. This document sets out the terms and conditions of the Agreement.
Furnished	A furnished Property includes all fixtures, fittings, furniture and furnishings apart from bedding, clothing and personal effects
Unfurnished	An unfurnished Property normally includes carpets, curtains, light fittings and white goods and the Tenant is expected to bring their own furniture to enable them to occupy the property.

1 LEVEL OF SERVICE

Letting Only (*Non Managed*)

Having appointed Ash Residential as Agent upon signing this Agreement, the Agent will provide the following services:

- i. Value the Property in terms of likely rental income and advise the Landlord on all relevant related matters.
- ii. Promote the Property to identify a suitable tenant.
- iii. Arrange viewings for prospective tenants.
- iv. Obtain references and/or a credit report of prospective tenant(s) for approval.
- v. Draw up the standard form of Tenancy Agreement and serve and statutory notices.
- vi. Take an inventory and schedule of condition of the property's contents upon written request.
- vii. Collect first months rent and last months rent.
- viii. On receipt of initial rent payment, deduct fees and forward balance of monies to Landlord by Cheque unless otherwise agreed, at the end of each month.
- ix. Arrange for the property to be cleaned if necessary prior to letting up to a limit of £100 plus VAT payable by the Landlord.
- x. Advise Utility Companies (*gas, water and electricity*) of meter readings at the commencement of the tenancy (*subject to information being provided by the Landlord with regard to specific meter location and suitable access*).
- xi. Set up a monthly standing order, payable by the tenant(s) direct to the landlord's account or as agreed.
- xii. Renew the tenancy Agreement on the terms previously authorised by the Landlord.
- xiii. Provide the Tenant(s) with a key to the Property.
- xiv. To erect a 'To Let' board at the property where considered appropriate by Ash Residential unless otherwise instructed by the Landlord.

Letting and Management

In addition to the above, the following services will also be provided.

- xv. Carry out visits to the Property and advise the Landlord on the state and condition of the Property.
- xvi. At the end of the Tenancy Agreement take back the Tenants' keys, check and prepare, if appropriate, a schedule of dilapidations for agreement between the Landlord and the Tenant(s).
- xvii. Demand rents and forward such, less our fees to the Landlord.
- xviii. Carry out the duties of the Managing Agent with regard to any repairs and statutory obligation on the Landlord's behalf.



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2 FEES

South Manchester

Letting only	the equivalent of 3 weeks rent
Letting and management	1 weeks rent plus 12% of each month's rent

The following charges are additional to the standard charges above:

- a. Maintaining records for the statutory annual Gas and Electrical Safety Checks - £25
- b. Caretaking of empty Property at the request of the Landlord - £15 per week 1 visit per week.
- c. Arranging and supervising major building or refurbishment work will incur a 10% of the cost of the works.
- d. Extending an existing tenancy following the expiry of a fixed term - £50
- e. Carrying out an inventory & schedule of condition at the property £50 (*unfurnished*) or £75 (*furnished*).
- f. Arranging copies of keys, entry fobs and parking fobs - £25.
- g. Additional visits to the property to locate unknown meter access - £25
- h. Providing copies of monthly statements at the Landlord's request - £15 per statement
- i. Application completion for licensing and/or HMO Regulations - £50 each.
- j. Any accompanied visits with or for the licensing office or HMO office - £25.
- k. Supply Inland Revenue with Landlords Income Details - £50.

3 VAT

All fees and charges will be subject to VAT at the current rate.

4 TERMINATION OF INSTRUCTIONS

- i. This Agency Agreement may be terminated by either party giving to the other not less than seven days notice in writing. However, where the Agent has introduced a suitable Tenant and the Landlord refuses to allow the tenancy to proceed, the Landlord will be liable to pay a withdrawal/administration fee equivalent to £200.00 plus VAT.
- ii. For letting & Management service this Agreement may not be terminated once the Tenancy Agreement has been entered into until the Tenancy has ended at either the instigation of the Tenant or the Landlord and the Property being vacated by the Tenant. If the Landlord terminates the Agency Agreement and the Tenant remains in the Property, the Agent will be entitled to commission equivalent to that payable for the remainder of the tenancy.

- i. If the Landlord has instructed more than one Agent and Ash Residential are successful in introducing a Tenant, it is the Landlord's responsibility to notify other Agents. Likewise if another Agent is successful it is the Landlord's responsibility to notify Ash Residential in writing as long as Ash Residential have not identified a suitable Tenant there will be no charge. If a suitable Tenant has been found but the Landlord choose to let the Property to a Tenant introduced by another Agent, the withdrawal fee will become payable.
- ii. If rent is paid in advance by the Tenant for the period of the tenancy for a Property managed by the Agent, one months rent will be retained as a reserve for repairs etc., any surplus being returned at the end of the Tenancy. If the money retained is insufficient the Landlord will be required to make up the difference.

5 SALE OF PROPERTY TO TENANT OR OTHER PERSON(S) INTRODUCED BY THE AGENT

- i. Where a Landlord sells the Property to a Tenant or other person(s) introduced by the Agent during the tenancy a fee of 1% plus VAT of the selling price will become due and payable by the Landlord to the Agent.
- ii. By signing this Agreement the landlord agrees to notify the Agent of the selling price and authorises his solicitors to deduct the appropriate fee from the proceeds of sale and remit to the Agent.

6 STATUTORY OBLIGATIONS OF THE LANDLORD WHEN LETTING RESIDENTIAL PROPERTY

The Landlord hereby warrants to the Agent that the furniture and furnishings in the Property comply with the requirements of the Consumers Protection Act 1987 and all statutory instruments made under it, in particular the Furniture, Furnishings (*Fire*) (*Safety*) Regulations 1988 as amended by the Furniture and Furnishings (*Fire*) (*Safety*) (*Amendments*) Regulations 1989 and 1993, The Gas Safety (*Installation & Use*) Regulations 1998 and 1993, The Electrical Equipment (*Safety*) Regulations 1994, The Plug & Socket etc. (*Safety*) Regulations 1994, The Plug & Socket etc. (*Safety*) Regulations 1994 and the General Products Safety Regulations and all other relevant legislation either current or in the future as applicable to the letting of a residential Property.

6A TO DEAL WITH ANY GOVERNMENT OR LOCAL AUTHORITY IN CONNECTION WITH NEW HMO REGULATIONS AND LICENCING AND ALL OTHER LEGISLATIONS

6B NON UK RESIDENT OVERSEAS – S.78 TAXES MANAGEMENT ACT 1970

Where the Landlord is resident outside the UK or taxed as such the Agents shall be entitled to retain from rental income the amount of any tax due or likely or estimated to be due to the Inland Revenue if required by them. The Landlord indemnifies the Agent against all payments of tax, interest thereon, or penalties levied on or made by the agent and shall pay the agent any shortfall of such monies together with interest thereon at 3% above Barclays Bank PLC lending rate in force on a daily basis from the date of payment by the agent until reimbursement in full. Should the Landlord fail to apply for an Approval Number from the Inland Revenue, the Agent shall be entitled to charge £75.00 in consideration of the additional administration costs incurred in processing the accounts. This will include a yearly tax return to the Inland Revenue. If Approval Number is available a charge of £75 will be made to carry out such returns as the Revenue require.

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7 CONFIRMATION OF INSTRUCTIONS

All instructions to the Agent regarding the service must be given in writing (*letter, e-mail or fax*). Any verbal instructions must be confirmed in writing. Sufficient time must be given for the instructions to be fulfilled, failure to do so will not render the Agent negligent. Instructions received at weekends or Bank Holidays will be actioned on the next working day. All legal documents must be the originals.

8 LETTING ONLY SERVICE

In these cases Ash Residential are not the Managing Agent for the Property. It is the Landlord's responsibility to carry out any maintenance and repairs to the property and comply with all statutory requirements (*see action 6*). By signing this Agreement the Landlord indemnifies Ash Residential from and against all costs, claims, damages and expenses arising because of the Landlord's negligence or failure to comply with the said statutory requirements.

9 LIABILITY OF THE AGENT

9.1 Unless caused by the Agent's negligence no liability shall be attached to the Agent for any loss, injury, damage or legal or other expenses sustained as a result of:

- i. the client's failure to provide accurately all information reasonably required for the Agent to undertake the service;
- ii. any forecast by the Agent of likely income or expenditure;
- iii. failure to identify any defect in the Property or its fixtures, fittings and furnishings.
- iv. the act, omission or insolvency or any person other than the Agent; and
- v. any failure of the Tenant to pay the rent or comply with the terms of the Tenancy Agreement

9.2 The landlord shall indemnify the Agent in respect of any claims made by another or third party for any loss, injury, damage or legal or other expenses referred to in Clause 9.1 above.

10 REPAIRS AND STATUTORY OBLIGATIONS – MANAGEMENT SERVICE

- i. The Agent has authority to carry out repairs to the Property and its contents up to £150.00 save in the circumstances set out in this Clause.
- ii. The Landlord authorises the Agent to carry out any appropriate action to comply with all Statutes and Regulations and to incur the necessary expenditure.
- iii. The Landlord fully indemnifies the Agent against all costs, claims, damages and expenses and other payments made pursuant to this authority or arising out of any breach or non observance or non performance by the Landlord of such Statutory obligations or Regulations, Rules and orders.
- iv. Further the landlord undertakes to ratify whatsoever the Agent shall lawfully do in performance of their Management Service and to indemnify them against all costs, payments and expenses incurred by them.
- v. The Agent shall not be held responsible for the non-payment of Council Tax, Rates (*if any*) or supply of utilities payable in respect of the Property.

11 PARKING

Where a Property has a parking space attached to it, the Landlord will be responsible for supplying the Agent with the parking space number and location. The Landlord shall indemnify the Agents from any cost, claims, payments and expenses that arise from them supplying incorrect information.

12 CLIENT IDENTIFICATION

Under the provisions of the Proceeds of Crime Act 2002 it is a legal requirement that the Agent must be able to identify their client, therefore, all private Landlords are required to furnish Ash Residential with a copy of their passport or EU photo driving licence and proof of address, to be held on file in accordance with the Data Protection Act 1988. Where there are joint Landlords, a copy of the relevant identification for each landlord will be required. Where the Landlord is a company, at least two directors or a director and a company secretary must furnish us with relevant information.

13 DATA PROTECTION ACT

All information regarding Landlords and Tenants is confidential and will be held strictly in accordance with the provisions of the Data Protection Act 1988.

14 CLIENTS' MONEY

Clients' money is held in an account with Barclays Bank plc the details of which can be obtained from any of our offices. No interest will be paid on any monies held in the account.

15 WAIVER

No actions performed by either the Landlord or the Agent shall prevent the other subsequently insisting upon his rights and remedies under this agreement.

16 INDEMNITY

The Landlord undertakes to ratify actions properly and lawfully performed under the terms of this agreement and to indemnify them against all costs, claims and expenses incurred by them.

17 ARBITRATION

Any dispute between Landlord and Agent arising out of this Agreement may be referred by either or both parties to a sole arbitrator to be agreed between the Landlord and Agent.

18 CHANGES TO THESE TERMS AND CONDITIONS

Ash Residential may alter these Terms and Conditions at any time without notice. They will be binding on all clients at the time of notification except where Ash Residential collects rent and manages the Property where the alterations will be binding at the end of the tenancy that is currently running. If the amendments are due to statutory changes they will take effect immediately upon notification.

Ash Residential will not accept any alterations to these Terms and Conditions unless agreed in writing prior to the commencement or the Agency and signed by a Partner/Director, a copy of which to be annexed to these Terms and Conditions

