

## RESIDENTIAL LETTING TERMS OF BUSINESS

**Full address of property to be let:-**

**Full name/s of Landlord/s** – all owners of the property must be named.

- |              |         |
|--------------|---------|
| 1. Forenames | Surname |
| 2. Forenames | Surname |

**Correspondence address:-** (if different to above)

**Tel:** (Home telephone number)  
(Work telephone number)  
(Mobile telephone number)

**Invited Rental Figure £**

**Returnable Damages Bond £**

### **1. TENANT FINDING SERVICE – TERMS OF BUSINESS**

Richard Turner & Son provide a Tenant Finding Service to owners wishing to let out their property, with this service **being for Landlords who prefer to manage the property themselves**. Our present standard fee for the Tenant Finding Service is 12% of 6 months rent inclusive of VAT (10% + VAT), subject to a minimum fee of £450 inclusive of VAT (£375.00 + VAT).

*(Example: Agreed Rental Price: £500. per month Fee: 12% of (500 x 6 = 3,000) = £360. The minimum fee is £450 which will be paid in this instance. This fee will be increased or decreased dependant on the actual rental agreed).*

*(N.B. We confirm in the event of an initial 6 months rental period automatically continuing for a longer term there will be no further fee payable to us).*

We further confirm, in order for us to comply with Government Legislation, it will be necessary for your rental property to have an “EPC” (Energy Performance Certificate) prior to commencement of marketing; if you have instructed us to order the required “EPC” for your property via our “EPC” provider, as discussed, the cost of this will be recoverable from you by Richard Turner & Son as an out of pocket expense and for which an invoice will be raised by us for payment by you at the commencement of marketing (even in the event of you temporarily suspending the marketing of your property once the “EPC” has been ordered).

The current “EPC” cost via our provider will be charged to you at £78 inclusive of VAT (£65 + VAT).

**Tenant Finding Service Includes:-**

1. Advice on letting and the likely rental income.
2. Advice on furnishing and other safety related legislations.
3. Provision of photographs, standard To Let board\*, advertising and general marketing of the property.
4. Arranging and where necessary accompanied viewings.
5. Obtaining MARAS (Managing Agents Reference Assistance & Investigation Service) credit and reference checks on prospective tenants (we claim the MARAS charge for this service in advance direct from the prospective tenants).
6. Arranging for the landlords solicitor (or our local solicitor) to prepare and serve the necessary tenancy documentation (we claim the solicitors charge for this service in advance direct from the prospective tenants).
7. Collecting the first month’s rental and returnable damage bond. This bond will be passed on by us to the “DPS” *Deposit Protection Service*.
8. Preparation of an inventory of contents (if applicable) (an additional charge of £90 inclusive of VAT (£75 + VAT) will be payable to us for this service).

Please note that for introducing a tenant who is acceptable to you, or whom you have given us authority to accept on your behalf to complete the tenancy agreement, then our commission will be deducted from the first months rent paid to us by the tenant (any balance will be forwarded to you in due course).

Please note: unless these terms of business have been posted to you there is a 14 day cooling off period (right to cancel) from the date of signing these terms of business.

## **2. GENERAL AUTHORITY**

The Landlord confirms that he/she is the sole or joint owner of the property and that he/she has the right to rent out the property under the terms of the mortgage of head lease. Where necessary, the Landlord confirms that permission to let the property has been granted by the mortgagee.

## **3. INDEMNITY**

The Landlord agrees to indemnify the Agent against any costs or liability 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 request from the Agents.

## **4. MAINTENANCE**

The Landlord warrants that the property is made available in good and lettable conditions and that the property, beds, chairs, suites, sofa and any other soft furnishings conform to the current fire safety regulations.

## **5. OVERSEAS RESIDENTS**

When letting property and collecting rents for Landlords overseas, Richard Turner & Son is obliged by the Taxes Management Act 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 the Inland Revenue to receive rents gross. In this situation the Agent also required that the Landlord appoints an accountant or reserves to the Agent the right to employ a suitable qualified accountant in order to manage correspondence with the Inland Revenue. A standard annual charge will be made for this work and 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. In many cases, Landlords tax liability is minimal when all allowable costs are deducted.

Self-assessment system of taxation applies to all overseas residents including Crown employees living abroad, diplomatic and armed forces staff.

## **6. COUNCIL TAX**

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, let as holiday accommodation, or let as a house in multiple occupation, responsibility for payment of Council Tax then rests with the owner of the property.

## **7. SERVICES**

The Landlord 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 occupancy. In many cases, the service companies (e.g. 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. The Landlord must make available to the Tenant the current service provider and his address, telephone and reference number to enable the Tenant to authorise service from the commencement of the lease. Regarding mail, Landlords should take care to inform all parties, (e.g. Banks, Clubs Societies etc.) of their new address; it is not always possible to rely on Tenants to forward mail.

## **8. TENANCY AGREEMENT**

It is agreed that Richard Turner & Son may sign the tenancy agreements on behalf of the Landlords.

## **9. RETURNABLE DAMAGE BOND**

Prior to the proposed tenancy commencement date, Richard Turner & Son will obtain a returnable damages bond of £\*\*\* together with payment of the first months rent. The purpose of the returnable damages bond is to protect the Landlord against loss of rent or damage to the property during the tenancy itself.

The returnable damages bond will be deposited in the **GOVERNMENT CUSTODIAL SCHEME** of the "DPS" **DEPOSIT PROTECTION SERVICE** at the end of the tenancy the condition and contents of the property will be checked with the intention of reaching an Agreement between Landlord and Tenant how much of the deposit will be returned. The agreed amount should be received by the Tenant within 10 days, however, if no agreement can be reached about how much of the deposit should be returned there will be a **free service, offered by the custodial scheme** protecting the deposit, to help resolve disputes. Any disputed part of the deposit will be held by the scheme until the dispute is resolved. The deposit protection service can be contacted at [www.depositprotection.com](http://www.depositprotection.com) or on Tel: 0844 4727 000.

## **10. TERMINATION**

This agreement will terminate once a Tenant has been established in the property.

## **11. SOLE LETTING RIGHTS**

It is agreed that only the Agents may let the property and you must not instruct other Agents without prior notification.

## **12. SAFETY REGULATIONS**

**Please note that you should read and understand these obligations before signing this agreement.**

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 electrical appliances and installations within the property and especially with respect to the safety of furniture and soft furnishings provided.

The following regulations apply:

1. Furniture and Furnishings (Fire) Safety Regulations 1988 – General Product Safety Regulations 1994.
2. Gas Safety (Installation and Use) Regulations 1998 – Gas Cooking Appliances (Safety) Regulations 1989.
3. Electrical Equipment (Safety) Regulations 1994 – Plugs and Sockets (Safety) Regulations 1994.

Furniture and Furnishings (Fire) Safety Regulations 1988 (as amended)

If you intend to let the property furnished we must draw your attention to the Furniture and Furnishings (Fire) (Safety) Regulations 1988 which stipulate that all upholstered furniture let with the property must meet the fire resistance requirements and carry the appropriate labels to say so.

**Failure to comply could result in prosecution and may render your buildings and contents insurance cover void.**

Richard Turner & Son will require proof that all relevant furnishings let by the Landlord(s) comply with the above regulations before a tenancy commences and reserve the right to terminate this agency agreement should not-complying furnishings belonging to the Landlord be found in the property at any time.

The Landlord confirms that he/she is aware of these obligations and that the Agent has provided sufficient information (via explanatory leaflets available on request) to assist with compliances. It is agreed that the Landlord shall ensure that the property is made available for letting in a safe condition and in compliances with the above regulations.

It is a legal requirement that all gas appliances and systems are inspected by a Registered "Gas Safe" engineer and all electrical wiring and appliances are checked by a qualified IEE electrician on an annual basis so as to ensure their safety. A dated record must be kept notifying defects, remedies and remedial work undertaken. It is required that Tenants must be given a copy of the gas safety certificate. In addition instructions in England for all appliances must be available in the property. Richard Turner & Son, Estate Agents will require proof of compliance with the gas and electrical requirements and applications for tenancy will not be processed without such proof. Richard Turner & Son, Estate Agents accept no responsibility or liability in law if you do not comply with these conditions. Failure to comply is a criminal offence.

## **13. INSTRUCTIONS**

It is agreed that any instruction to the Agent from the Landlord regarding termination, proceedings, major repairs, payment of other significant details regarding the letting must be confirmed to the Agent in writing.

## **14. SALE OF PROPERTY**

In the event of a party introduced by the Agent (or any person or body corporate associated with that party) subsequently purchasing the property, whether before or after entering into a Tenancy Agreement, commission shall be payable by the Landlord to the Agent on completion of the sale at the rate of 1.8% inclusive of VAT (1½ % + VAT) based on the sale price of the property.

## **15. INSURANCE**

Please note specialist let property insurance cover/protection is available in the open market place to provide the Landlord with rent guarantee cover and indemnity for legal expenses in pursuit of claims against Tenants or any other parties breaching the Landlords' legal rights to a property.

Richard Turner & Son are not currently Introducer Appointed Representatives (IAR) or partners with a specialist insurance provider.

**The Landlord shall be responsible for the property being adequately insured and that the insurance policy covers the situation where the property is let.**

## **16. VALUE ADDED TAX**

Our fees are inclusive of VAT at the appropriate rate (currently 20%).

**17. DECLARATION**

I/We confirm that I/We are the sole owner(s) of the above property and I/We have obtained all consent including those of any mortgages and insurer necessary to allow us to let the property and to provide Richard Turner & Son with information regarding the covenant or restrictions concerning the occupation of the property.

I/We understand that all joint owners of the property must be made on the Tenancy Agreement and I/We declare all such persons have been named to Richard Turner & Son.

I/We warrant that all relevant items of furniture and furnishings comply with the Furnishings, Fire and Safety Regulations 1988 as amended and carry the necessary labels of proof. Compliance that all gas and electrical appliances and installations comply with the Gas Safety (Installation & Use) Regulations 1998, Gas Cooking Appliances (Safety) Regulations 1989 and the Electrical Equipment (Safety) Regulations 1994 – Plugs and Sockets (Safety) Regulations 1994 as stated above.

I/We confirm that the property will be clean and habitable for any tenant otherwise the Agent may either have the property cleaned at my/our expense or Tenants agreement.

I/We authorise Richard Turner & Son as our letting Agent to offer the property for letting at the agreed rent stated above and to sign a Tenancy Agreement on the property on our behalf and to obtain from the Tenant one months advanced rent together with a damages bond equivalent to one months rent or higher if advised by ourselves with this returnable damages bond to cover for breakages, rent arrears and other damage caused to the property during the course of any tenancy.

I/We understand and confirm that should the service of a solicitor be needed in the event of a dispute with a Tenant or any other party I am/We are responsible for any payment unless covered be a Rent Indemnity or Legal Protection Insurance Policy.

I/We confirm that we have read and understood the attached agreement and agree to abide by the terms and conditions stated therein.

I/We wish Richard Turner & Son, Estate Agents to provide the service marked below in accordance with the terms stated within this Agency Agreement.

Tenant Finding Service

Please state clearly if the property is Furnished, Unfurnished or Partly Furnished.

**Signed:**..... **Date:**.....

**Full Name(s):**.....

.....

**Address:**.....

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***PLEASE NOTE THAT ALL OWNERS OF THE PROPERTY MUST SIGN THIS AGREEMENT.***

***\*Standard To Let Board*** For the purpose of clarity we confirm a “standard” to let flag board, excluding any information slips, is costed to RTS by our board provider at £16.80 inclusive of VAT (£14.00 + VAT); any costs incurred by RTS in excess of this standard amount will be charged to you as an out of pocket expense.

**Client Money Protection:** Under the Consumer Rights Act 2015 we are not required to place monies received from tenants in respect of the initial rent and bond in a designated client’s account. We therefore **do not** have Client Money Protection (CMP) insurance.

