

TERMS OF BUSINESS FOR LANDLORDS OF RESIDENTIAL ACCOMMODATION

‘AGREEMENT’

FULL MANAGEMENT:

Arrangement fee of £199.00 and 10% of the monthly rental

- *Inspect and estimate the value of your property*
- *Advise on legal and legislative requirements*
- *Advertise and market your property to the widest possible audience*
- *Arrange and accompany viewings with potential tenants*
- *Negotiate the letting terms*
- *Take up references and financial checks on prospective applicants*
- *Draw up and execute the tenancy agreement*
- *Arrange for an inventory and check-in if required **
- *Collect and register deposit in authorised scheme **
- *Generally advise the landlord on all aspects on the tenancy*
- *Collects rent on an agreed periodic basis*
- *Pursue any late payments*
- *Prepare regular management statements and account to landlord*
- *Contact and arrange the transfer of utilities*
- *Make regular inspections of your property*
- *Arrange landlords gas safety check **
- *Arrange and manage maintenance issues and liaise with both parties*
- *Serve notices as required to tenants including to notice to end a tenancy*
- *Arrange tenant check out (applicable only with an inventory)*

* Fees apply, see within.

PLEASE READ CAREFULLY - THE FOLLOWING TERMS OF BUSINESS EXPLAIN YOUR CONTRACTUAL POSITION AND RESPONSIBILITY AS A LANDLORD. BY SIGNING THE LAST PAGE YOU WILL BE TAKEN TO HAVE ACCEPTED THESE TERMS OF BUSINESS.

PLEASE INITIAL THE BOTTOM OF EACH PAGE AFTER READING TO ACKNOWLEDGE ACCEPTANCE AND UNDERSTANDING OF THE TERMS HEREIN

This Agreement is between:

The Agent:

**Carlton Estates
8 Station Road
Narborough
Leicestershire
LE19 2HR**

The Landlord(s):

The Property to be let:

PRE-INSTRUCTION REQUIREMENTS

MORTGAGES AND LEGAL CHARGES

Where a property is subject to a mortgage or other legal charges, permission from the lender is usually required to let. Carlton Estates require that the Landlord determines their own legal responsibility in this respect, and obtain the necessary consent. By signing this agreement the landlord is making a declaration to Carlton Estates that approval and / or permission has been granted by the lender To Let the property or properties and has clarified the legal position in all respects.

SUPERIOR LANDLORD

If the Landlord's interest in the property is not freehold but leasehold, permission to let from the superior Landlord is usually required, often by way of a licence to sub-let. Carlton Estates require that the Landlord determines their own legal responsibility in this respect and obtain the necessary consent at the earliest opportunity.

In no circumstances can the Landlord create a sub-tenancy for a period longer than the interest they hold. Carlton Estates may offer advice on all the above circumstances, but generally advise referral to the Landlord's acting solicitor.

LANDLORD TO OBTAIN ALL CONSENTS WHERE REQUIRED

POWER OF ATTORNEY

Where the Landlord is resident overseas it is recommended that legal power of attorney is placed with a UK based resident or professional advisor, so that instructions may be expeditiously obtained as situations arise.

PROPRIETORSHIP

Carlton Estates accept, in good faith, receipt of instructions and information from the rightful owner, or person having due authority, of any property, and do not accept any liability where incorrectly instructed or informed.

JOINT OWNERSHIP

In the case of joint ownership the landlord must ensure that all other joint owners are named in the tenancy agreement and confirm that he/she is authorised to give instructions on their behalf.

INSURANCE

The Landlord must consult with their Insurance Company or brokers, to ensure that the property and all its contents are and remain adequately insured throughout the letting, and that the policy/ies allow for letting.

DECOR AND CONDITION

The Landlord is required to ensure that the property, and all contents, have been cleaned and tidied, and that all is in a reasonable state of repair. The Landlord bears the responsibility of ensuring that all structures comply with the relevant Building Regulations, that all services have been correctly installed and are operational, and that all equipment is safe to use.

EQUIPMENT AND APPLIANCES

The Landlord confirms and warrants that all services, equipment and appliances, particularly burglar alarms, washing machines, gas fires and electrical and central heating systems have been installed by properly qualified persons in accordance with the manufacturer's recommendations and any statutory

regulations and have been checked and serviced by properly qualified service engineers, before the Tenant takes up occupation.

The Landlord authorises Carlton Estates to carry out any inspection, which Carlton Estates may in their discretion consider necessary, at the Landlord's expense. If, as a result of such inspection, works are required to make any service, equipment or appliance safe to use, the Landlord irrevocably authorises Carlton Estates to carry out such works at the Landlord's expense.

Fire and Furnishings Regulations

You hereby warrant to Carlton Estates that all furniture and furnishings in the Property to be let and included in the letting (whether originally provided or added during the Tenancy) fully comply with the Furniture and Furnishings (Fire) (Safety) Regulations 1988 as amended by the Furniture and Furnishings (Fire) (Safety) (Amendment) Regulations 1989 and 1993.

Gas Regulations

The landlord must ensure that the gas supply and all gas appliances and fittings provided are safe and properly serviced and comply with the Gas Safety (Installation and Use) Regulations 1994. A Gas Safety Report will be required before the commencement of the Tenancy. A safety check should then be carried out on a yearly basis, by a "Gas Safe" registered engineer. You will indemnify us should a breach of these regulations occur during the tenancy.

Electrical Equipment and Wiring

You hereby warrant to Carlton Estates that ALL electrical appliances plugs sockets and wiring in the Property and the electrical supply is "safe" and will not cause "danger" and complies with all statutory requirements. From 1 January 1997 all new electrical appliances must carry a "CE" mark and instruction booklets or clear working instructions must be provided.

INVENTORIES

Carlton Estates strongly recommend that a detailed, comprehensive Inventory incorporating a full description and statement of the condition of all fixtures and fittings is carried out prior to each new rental agreement.

Carlton Estates, if required, can arrange for an Inventory of the fixtures and fittings to be prepared. Any costs associated in the preparing of an Inventory (i.e. when an independent inventory clerk is employed) will be borne by the Landlord.

The deposit is not returned to the Tenant until any appropriate costs for damage, dilapidations or loss have been agreed by both the Tenant and the Landlord. In the event of any dispute the matter will be referred to arbitration, or as otherwise directed by the Tenancy Agreement.

LETTINGS PROCEDURE

REFERENCES

Once a suitable Tenant has been found Carlton Estates endeavour to obtain appropriate references, and where possible will approach the Tenant's bank, solicitor, accountant, employer, previous Landlord and personal contacts.

It is usual for professional organisations to limit the extent of their liability in respect of any reference given. Similarly Carlton Estates can not offer any guarantee in respect of the Tenant.

TENANCY AGREEMENT

Carlton Estates will prepare and execute an appropriate Tenancy agreement, usually in the form of an Assured Shorthold Tenancy, or a company let. Carlton Estates also serve the appropriate notices required to be served upon and prior to commencement, under the relevant Housing Acts.

Carlton Estates will, on behalf of the landlord, sign the tenancy agreement, renewals, notices and addendums.

Where significant and/or complicated alterations to the standard agreement are required, Carlton Estates reserve the right to consult with solicitors, at additional cost to the Landlord.

DEPOSIT

A deposit of the equivalent to five weeks rent, for damages against possible non-performance of Tenants obligations or breaches of covenant in the tenancy agreement.

We will hold the tenant's deposit during the tenancy as 'Stakeholder'. This means we owe a duty of care to both landlord and tenant. We are unable to release any deposit monies to either party without the prior agreement of both parties, except in circumstances where we have notified you (or the tenant) in writing of our intention and we have not received a reply from you (or the tenant) within a specified period.

At the end of the tenancy and on receipt of a report compiled by an independent inventory clerk, we will visit the property and arrange for those items mentioned on the report to be costed and an end tenancy claim to be submitted to you firstly for your approval, and then to the tenant.

If we are/the agent is instructed by you/the Landlord to hold the deposit, we/the Agent shall do so under the terms of the Tenancy Deposit Scheme.

If you/the Landlord decide to hold the deposit yourself, we will transfer it to you within 5 days of receiving it. You/the Landlord must then register it with another Tenancy Deposit Protection Scheme within a further 9 days if the Tenancy is an Assured Shorthold Tenancy. If you fail to do so the Tenant can take legal action against you/the Landlord in the County Court. The Court will make an order stating that you/the Landlord must pay the Deposit back to the Tenant or lodge it with the custodial scheme which is known as the Deposit Protection Scheme. In addition a further order will be made requiring you/the Landlord to pay compensation to the Tenant of an amount equal to three times the Deposit. You/the Landlord will be unable to serve a Section 21 Notice on your Tenant until compliance with the above conditions and the court will not grant you/the Landlord a possession order. We/the Agent has no liability for any loss suffered if you/the Landlord fail to comply.

The Agent holds tenancy deposits as Stakeholder.

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

If there is no dispute we/the Agent 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 with the Landlord and the Tenant. Payment of the Deposit will be made within 10 working days of written consent from both parties.

If there is a dispute we must remit to the Deposit Scheme administrator the full deposit, less any amounts 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.

The Agent/we must co-operate in the adjudication of the dispute and follow any recommendations concerning the method of the resolution of the dispute.

Overseas Landlord Clients

Carlton Estates retain the right, on behalf of overseas clients, to make decisions on the return of the deposit to the Tenant and are able to lodge any disputed deposit monies with the MyDeposits Tenancy Deposit Protection scheme if requested to do so by the scheme without the need for any recourse to the Overseas Landlord whose property letting we are managing.

Incorrect Information

The Landlord warrants that all the information he has provided to the Agent is correct to the best of his knowledge and belief. In the event that the landlord provides incorrect information to the Agent which

causes the Agent to suffer loss or cause legal proceedings to be taken the Landlord agrees to reimburse and compensate the Agent for all losses suffered.

MANAGEMENT

RENT COLLECTION

The rent quoted, and collected by Carlton Estates, should be fully inclusive of all outgoings, except utilities, including ground rent, service charge, water rates, letting and management fees and VAT, unless otherwise agreed and stipulated in the Tenancy Agreement.

Carlton Estates endeavour to ensure that the initial rent and deposit are paid by clear funds before allowing a tenant possession of the property.

Thereafter, where asked to provide a letting service WITH FULL MANAGEMENT, Carlton Estates endeavour to collect rent in accordance with the terms of the Tenancy Agreement.

In the case of late or non-payment of rent Carlton Estates endeavour to inform the Landlord as early as possible so that they may instruct solicitors to act as necessary.

Carlton Estates are not themselves liable for any rent or non-payment of same, or other liabilities incurred by the Tenant.

Under the provisions of the Landlord and Tenant Act 1987 Carlton Estates are obliged to inform the tenant of the Landlord's full name and address.

If the Landlord's address is outside England and Wales, then the tenant must be provided with an address within England and Wales to which notices, including notices in proceedings, may be served, and unless otherwise instructed. Carlton Estates use their own office address for this purpose. Although Carlton Estates endeavour to forward any notices promptly, no liability is accepted for any loss or damage incurred directly or indirectly from actions in this respect.

REGULAR INSPECTION

Under the FULL MANAGEMENT service, Carlton Estates endeavour to ensure that the property and contents are reasonably maintained, and after an initial inspection visit within eight weeks of a new tenancy, will thereafter endeavour to make inspection visits every four months and report to the Landlord if problems arise.

The representative from Carlton Estates may not be a qualified surveyor and no responsibility is accepted for failing to locate or report any latent or inherent structural defects, such as damp or dry rot, which may not be immediately apparent.

MAINTENANCE AND REPAIRS

Under the FULL MANAGEMENT service Carlton Estates effect general and essential repairs and maintenance, and make such purchases and instruct contractors as, in Carlton Estates discretion, consider necessary without further authority, up to a limit of £250.00.

Carlton Estates endeavour to employ only known, reliable and proficient contractors and workmen, but no warranty is given, or liability assumed, for loss or damage that might occur.

SERVICE ACCOUNTS

Carlton Estates advise the gas, electricity and water services of the change of the name at the commencement of a Tenancy to whom accounts and relevant forms should be sent to, and if available, the meter details.

In order to carry out such changes Carlton Estates require the landlord to advise full utility provider details, to include account and contact numbers.

VOID PERIODS

The management function does not include the supervision of the property when it is not let, although in the course of finding a tenant, periodic visits may be made to the accommodation by allowing staff to accompany prospective tenants.

RENT STATEMENTS

Management rent statements are prepared in accordance with the rental period of the tenancy, usually monthly or quarterly.

LEGAL MATTERS

Carlton Estates advise of any rent arrears or other breaches of covenant brought to our attention. If any legal action is required, the Landlord is responsible for instructing a solicitor, and for payment of any fees that might arise.

BANK ACCOUNTS

In accordance with the Estate Agents Act, deposits refundable to the tenant, are kept in a Carlton Estates 'Clients' bank account completely separate from Carlton Estates own business account.

FEES AND COMMISSIONS

NOTE

All charges are subject to VAT at the prevailing rate.

All charges relate to a single letting of any premises, and where the same property is re-let the charges as outlined in this agreement will be reapplied.

Carlton Estates right to receive fees will not be prejudiced by any legal actions that may be necessary to recover unpaid rent or other monies due.

The total amount of commission falls due at the commencement of each tenancy and will be deducted from the initial and subsequent rental payment(s) received from the Tenant.

LETTING RENEWALS

After the expiry of the "Fixed Term" Carlton Estates will arrange for another fixed term, (the term to be agreed with both landlord and tenant), at a cost of £100.00 plus vat. Additionally, a fee of £50.00 plus vat will be charged for the re-protection of the deposit under the Tenancy Deposit Scheme.

SALES OF PROPERTY

If the Tenant or any other party introduced to the property by Carlton Estates, or any associate of them, purchases the property during the Tenancy or within one year of the termination of the Tenancy, a sales commission of 1.50% of the full purchase price is payable upon completion of the sale.

ADDITIONAL AND EXCEPTIONAL CHARGES

INVENTORIES AND CHECKOUT

Charges of preparing the Inventory and conducting the checkout are payable by the Landlord.

ADVERTISING

General advertising of all properties is free of charge. Should the Landlord require additional individual advertising, a charge is made at cost.

INSURANCE CLAIMS

Landlords and tenants should take care to review any existing policies when renting or letting a property for the first time as some standard insurance products will either not provide cover, or might place restrictions on cover, for rented property and/or its contents.

A failure to inform your insurer that you are renting/letting a property could invalidate any subsequent claim. It is for a landlord to insure the building and his/her contents, fixtures and fittings.

The tenants are responsible for insuring any of their own possessions.

GENERAL

Carlton Estates are entitled to commission if they let the said property, whether instructed verbally or in writing.

Carlton Estates are not liable for any rent or non-payment of rent or any other liabilities incurred by the tenant, or for any outgoings payable on behalf of the Landlord if there are insufficient funds available.

Carlton Estates are not liable, either directly or indirectly, for any deficiency, loss or damage to the premises, its fixtures and fittings and contents, however caused, whether included in the Inventory or not.

Carlton Estates do not accept legal liability for the management of security of any property before it is let or at the termination of a tenancy, or if unlet between tenancies, whether or not they hold the keys to the property.

The Landlord will pay to Carlton Estates any other charges arising from any invoices, which they may at any time hold to the Landlord's account.

The Landlord accepts that Carlton Estates do not pay any bills on the Landlords behalf unless sufficient funds are available.

If the Landlord agrees to the Tenant having a pet at the property, Carlton Estates will increase the monthly rent payment paid by the Tenant by 2.5%. The Landlord agrees that Carlton Estates will hold the additional rent payments until the end of the tenancy and will then arrange for all carpets to be professionally cleaned and any further professional cleaning deemed necessary. Any remaining monies held will then be returned to the Landlord. Any damage caused by the pets with the exception of cleaning will be deductible from the Tenant's deposit.

ADDITIONAL COSTS

(Tick box to accept)

- **Energy Performance Certificate – £75.00**
(Mandatory to market your property)

- **Gas Safety Certificate - £75.00**
(Mandatory before the tenant(s) move in - this is an annual check)
(If not ticked, please supply us with a copy prior to the start of the tenancy).

- **Deposit Protection - £50.00**
(Mandatory when taking a deposit)
(If not ticked, please confirm which scheme you will be registering the deposit with).

- **Inventory / Checkout £180.00 (1 Bed) / £215.00 (2 Bed)
£235.00 (3 Bed) / £250.00 (4 Bed), larger properties by
separate negotiation (Prices include fixed fee of £45 for
Checkout)**
(A schedule of condition of the property)

- **Electrical Safety – £120.00**
(An electrical inspection on the property)

- **Smoke Alarms & Co2 Detectors – Quote Available**
(Mandatory before a tenant moves in)
*(By not ticking this box you confirm that the necessary alarms / detectors will be in place
prior to the start of the tenancy).*

- **Legionnaires Risk Assessment - £85.00**
(Please see notes on page 11 of this document)

All costs are subject to VAT at the prevailing rate.

INDEMNITY

The Landlord indemnifies Carlton Estates against any loss or damage Carlton Estates may suffer as a result of acting as the Landlord’s Agent in respect of any injury or damage to persons or property arising out of the condition of the property of any hazard in or about the property. Both Landlords and Tenants are advised to take out all appropriate insurance cover.

The Landlord undertakes to ratify whatsoever Carlton Estates shall lawfully do by virtue of these Terms of Business and to indemnify them against all costs and expenses properly incurred by them.

The Landlord undertakes to indemnify Carlton Estates against any costs or actions arising out of any representations made by Carlton Estates on behalf of the Landlord in all respects.

NOTE REGARDING INVENTORIES AND CHECKOUT

In the event of a dispute over a deposit claim at the end of a tenancy, an Inventory and an accompanying checkout may be used as a reference to determine liability in the case of a legal hearing or any form of arbitration.

Please be aware that without an Inventory at the beginning of the tenancy and a Checkout at the end, it is likely that a court or an arbitrator **WOULD NOT** uphold a claim by the Landlord to withhold money from the deposit.

Whilst not a legal requirement, Carlton Estates strongly recommend that Landlords have an Inventory and Checkout on their Let property. A checkout without an inventory will **NOT** be carried out.

I/We acknowledge having read and understood the above **NOTE REGARDING INVENTORIES AND CHECKOUTS** and on that basis I/We have decided as follows:

Yes I/We **DO** want an Inventory and Checkout carrying out.

No I/We **DO NOT** want an Inventory and Checkout carrying out.

Please delete accordingly and sign below to confirm your option.

Signed.....Date.....

Signed.....Date.....

WHAT IS LEGIONELLA?

Legionellosis is the collective term for diseases caused by legionella bacteria including the most serious: Legionnaires' disease.

Any water system with the right environmental conditions can be a source for Legionella bacterial growth.

There is a reasonable foreseeable Legionella risk within your water system if it:

- Contains water with a temperature between 20°C and 45°C
- Creates and/or spreads breathable droplets, e.g. aerosol created by cooling towers or water droplets
- Stores and/or re-circulates water
- Is likely to contain a source of food for the organism, e.g. presence of sludge, scale or fouling

LEGIONELLA AND LANDLORDS

The law is clear that if you are a landlord and rent out your property, you have a legal responsibility to ensure the health and safety of your tenant by keeping the property safe and free from health hazards.

Landlords therefore have a legal responsibility to carry out a **Legionella Risk Assessment** on any property they let out as described in the Health & Safety Act 1974.

Further legislative information relating to Legionella can be found on the **HEALTH AND SAFETY** (HSE) website. www.hse.gov.uk

CARLTON ESTATES strongly advise that a **Legionella Risk Assessment** is carried out and can arrange this for you.

Please complete the following: *(delete as necessary)*

I/we **DO** want Carlton Estates to arrange a Legionella Risk Assessment on my property.

I/we **DO NOT** want Carlton Estates to arrange a Legionella Risk Assessment on my property.

I/we acknowledge having read the above and in taking the **DO NOT** option, I/we indemnify Carlton Estates of any further responsibilities relating to the Legionella Risk Assessment.

Landlord(s) Name:

Rental Property Address:

Signed.....Date.....

I/We hereby certify that I/We (jointly) own the property as identified on page two of this agreement which I/We have instructed Carlton Estates to Let.
The Property was / was not my/our principal private residence at the time of signing this agreement and if there are joint owners, both/all are aware to the letting of the Property.

I/We certify that my/our main residence (for more than six months of the year) is/is not in the UK and my/our address is:-

.....
.....
.....

CONTACT TELEPHONE NUMBER/S.....

.....

EMAIL ADDRESS.....

.....

ACCOUNTANT NAME AND ADDRESS.....

.....

CONTACT TELEPHONE NUMBERS.....

EMAIL ADDRESS.....

LANDLORD BANK DETAILS

BANK.....

SORT CODE.....

ADDRESS.....

.....

NAME OF ACCOUNT HOLDER.....

ACCOUNT NO.....

I/We confirm my/our instructions for Carlton Estates to act on my/our behalf in securing a tenant for the property as identified on page two of this agreement under the terms presented to me/us in the Terms of Business. I/We confirm as required to the regulations as pointed out by Carlton Estates in regard to the Furniture and Furnishings Fire Safety Regulations, Gas

Appliances and general maintenance requirements. I/We hereby accept the above terms of business.

FULL NAME.....Date.....
Signed.....Date.....

FULL NAME.....Date.....
Signed.....Date.....

Money Laundering Identification Checklist

Personal Identity

This will be required for all landlords. Each landlord must provide at least one original copy from each of the two following categories:

	Copy Received
Driving Licence (with picture)	<input type="checkbox"/>
Passport	<input type="checkbox"/>
Birth Certificate	<input type="checkbox"/>

Personal Utility Bill (within the last 3 months)	<input type="checkbox"/>
Recent Bank Statement	<input type="checkbox"/>
Mortgage Statement (current within 3 months)	<input type="checkbox"/>

For office use only -

I am satisfied with the proof of identity provided.

Name (printed) _____

Initial(s)

Signed _____

Date: _____

Initial(s)