



## Landlord Agreement

This Agreement is made between the Landlord of the Property (as named at the end of this Agreement) and Bassets Property Services Ltd, acting as agent for the Landlord and hereafter referred to as "the Agent". The purpose of this document is to set out clearly and concisely the extent of the letting and management services offered and the relevant charges payable.

### **"FULL MANAGEMENT" SERVICE**

Bassets Property Services Ltd provides a full property management service to owners (and superior landlords) wishing to let their property. The standard ongoing charge for managing the property is calculated as a percentage of the gross monthly rent collected throughout the tenancy. There is no charge to the Landlord at the outset whatsoever.

### **1. AGENT'S RESPONSIBILITIES**

Once the Landlord has instructed Bassets Property Services Ltd to act as his/her agent, by signing this Agreement, the Agent will:

- a. Advise upon and agree the proposed rent with the Landlord.
- b. Market the Property in such a way as the Agent considers appropriate to find a suitable tenant.
- c. Arrange, at the Landlord's cost, for a Domestic Energy Assessment to be performed by a qualified assessor (where an Energy Performance Certificate (EPC) is not already in existence or provided), with the resulting Certificate being provided both to the Landlord and to any future ingoing tenants. An EPC lasts for 10 years and will then require renewal.
- d. Vet and select prospective tenants through checking credit and other references such as personal, professional and/or those from previous landlords or their agents.
- e. Collect and hold on behalf of the Landlord and tenant a deposit of one and a half months' gross rent (or one month's gross rent plus £200 in the case of bedsits and garages) as a "Damage Bond" against breakages and breaches of covenant.
- f. Receive and account for rental receipts on a monthly basis (or any other period agreed with the Landlord) by submitting a statement of income and expenditure to the Landlord.
- g. Within 14 days of receipt, credit to the Landlord's nominated bank/building society account the total rent received from the tenant LESS
  - The ongoing management fee (see Condition 4).
  - Any expenditure incurred by the Agent under the standard management of the property.
- h. Take such reasonable action as is necessary in the Landlord's name to pursue rent arrears subject to Condition 6 below.
- i. Draw up a Tenancy Agreement (and any subsequent renewal agreements) using our standard Assured Shorthold Tenancy Agreement and specified Notices in accordance with the relevant Housing Act(s) and/or other relevant legislation.
- j. Instruct an independent Inventory Clerk to prepare a detailed Inventory and/or Schedule of Condition of the property prior to the commencement of the tenancy.
- k. Arrange for the tenant to occupy the property and notify relevant authorities/utilities of any change of occupancy.
- l. Prepare an annual statement of rental income and expenditure relating to the Property.
- m. Advise the Landlord annually on the appropriateness of a rental increase in accordance with the Housing Act and/or other relevant legislation and/or the tenancy agreement (unless instructed otherwise by the Landlord).

- n. Check the tenant out of the Property on termination of the tenancy and assess the overall condition of the Property and, where necessary, any damage, subject to fair wear and tear.
- o. Demand payment from the tenant in cases where there are insufficient funds in the "Damage Bond" to meet repair/replacement costs.
- p. Upon receipt of the Landlord's instructions, advertise to re-let the Property at an appropriate market rental on termination of the tenancy.
- q. When instructed by the Landlord, serve the required two calendar months' Notice of Termination upon the tenant.
- r. Organise and, where necessary, supervise day-to-day maintenance repairs/routine work as required, up to a value of £300.
- s. Contact the Landlord for approval or instructions where more serious repairs are needed, including insurance work. Where an emergency occurs, however, the Agent has the right to act to protect the Property without consultation for example by effecting repairs without prior approval.
- t. To ensure that all gas appliances have been checked or serviced by a tradesperson who is on the Gas Safety Register within the 12 months prior to the date of signing this contract and then annually thereafter, with a copy of each relevant certificate being supplied to the Agent, with any required remedial work undertaken promptly.
- u. To effect an electrical check on the wiring and electrical supply to the property and have PAT tests undertaken on all sockets and electrical appliances in the property prior to the commencement of the tenancy, with any required remedial work undertaken promptly. Annually thereafter, to have PAT tests undertaken on all sockets and electrical appliances in the property.
- v. Visit the Property shortly after the commencement of the tenancy and then regularly up to the termination, providing brief written reports detailing its general condition to the Landlord.
- w. Take appropriate action to protect the property from frost damage should the property be vacant during the winter months (NB Please note that the standard practice is to drain down the central heating or water supply system, the cost for which would be borne by the Landlord).
- x. Inform all utilities (i.e. Water, Gas, Electricity, Council Tax) upon the Landlord's vacation, the commencement of the tenancy and all subsequent changes in occupancy, providing meter readings where applicable and possible.
- y. Where required, arrange for any Tenancy Agreement to be stamped – the cost being borne by the Agent out of their full management fee.

## **2. LANDLORD'S RESPONSIBILITIES**

- a. If the Property is to be let subject to a mortgage, to obtain and provide a copy of the written consent from the mortgage lender to sub-let in prior to the commencement of the tenancy.
- b. To prove ownership of the property and to gain and provide a copy of written authority to let the Property from any joint owners who must be named in the Tenancy Agreement
- c. If the property is leasehold, to ensure that
  - Any intended letting is permitted by the terms of the head lease.
  - The period of the tenancy expires before the termination of the head lease.
  - The written consent of the superior landlord is obtained for sub-letting.
  - A copy of the headlease is made available to the Agent for inclusion within the Tenancy Agreement.
- d. To advise the Landlord's buildings and contents insurer of his/her intention to let and to ensure, and provide evidence that the Property and contents are kept fully insured.
- e. To provide the Agent with a current Energy Performance Certificate prior to the commencement of the initial tenancy, or where a current EPC does not exist, to commission the Agent to obtain a Certificate prior to the commencement on the Landlord's behalf (see 1.c. above).
- f. To arrange for disconnection of the telephone on the Landlord's vacation of the property and pay for any reconnection charges upon returning to the property (NB please note that no guarantee can be given to the Landlord that a particular telephone number can be retained at the property).
- g. To pay any outstanding utility charges covering the period up to and including the Landlord's vacation of the Property and for any period when the Property is vacant.

- h. At the Agent's discretion, to ensure that the carpets in the property are professionally cleaned prior to the commencement of the tenancy.
- i. To ensure that the property has a working TV aerial.
- j. To ensure that all furniture, furnishings and appliances in the property comply with current safety legislation.
- k. To ensure that all gas appliances have been checked or serviced by a CORGI registered tradesperson within the 12 months prior to the date of signing this contract and then annually thereafter, with a copy of each relevant certificate being supplied to the Agent.
- l. To effect an electrical check on the wiring and electrical supply to the property and have PAT tests undertaken on all sockets and electrical appliances in the property prior to the commencement of the tenancy, with any repairs undertaken promptly. Annually thereafter, to have PAT tests undertaken on all sockets and electrical appliances in the property.
- m. To provide the Agent with sufficient sets of keys to the property in time for the start of the Tenancy. If insufficient sets of keys are made available, the Agent will obtain additional copies at the expense of the Landlord.
- n. To allow the tenant to fix pictures or any other wall hangings to the walls of the property provided that picture hooks are used and NOT sellotape or Blue-tack.
- o. To give notice in writing to the Agent of the Landlord's intention to repossess the property. This notice must be given in sufficient time for the correct termination notices to be served on the tenant.
- p. To indemnify the Agent, within 7 days of a demand for payment against all claims, costs and expenses of whatever nature which may be made by the Department of Social Security, the Local authority, any other Local or National Government Department, or any other person or body, which arises from the collection and payment to the credit of the Landlord any monthly rent pursuant to this Agreement.
- q. To keep the Agent informed at all times of the Landlord's current contact details.
- r. To pay the Agent's charges as stated in Condition 4 below.
- s. To have any resulting Tenancy Agreement formally stamped, if required, and to bear any associated costs.
- t. To provide any garden equipment necessary to enable the tenant to fulfil his obligation to keep the garden (if any) in good order.

### **3. GENERAL TERMS**

- a. The charges as set out in Condition 4 of this Agreement may be varied upon agreement in writing by both parties.
- b. Should the Landlord not wish to use the Agent's standard Assured Shorthold Tenancy Agreement, the Landlord should instruct his/her solicitors to draw up an agreement and will be responsible for all the costs involved.
- c. The rent, once received from the tenant, will be held in a non-interest bearing account before being transferred to the Landlord.
- d. The Agent may request from the Landlord a reserve of £100 for the duration of this Agreement to ensure the immediate availability of funds for the efficient management of the property.
- e. The Agent has the authority to sign the tenancy agreement and legal notices on the Landlord's behalf, however a Power of Attorney may be required by the Agent in certain circumstances.
- f. Expenditure incurred by the Agent in respect of the maintenance and ongoing management of the Property will be recovered from the current rental income, or funded by the Landlord if necessary.
- g. Value Added Tax (VAT) will be charged at the prevailing rate on all charges.
- h. The Agent will erect a board signifying that the property is available for letting, unless instructed otherwise by the Landlord.
- i. Upon termination of the final tenancy and vacation by the tenant, responsibility for the property will revert to the Landlord, unless caretaking instructions have been agreed.
- j. Either party may terminate this Agreement prior to the commencement of the initial tenancy by giving two weeks' written notice to the other party.

- k. Either party may terminate this Agreement on the vacation of a tenant, or on the occasion of a material breach of any condition of this Agreement during the tenancy or otherwise at any time after an initial six month period by way of 2 months' written notice to the other party.
- l. The Agent reserves the right to assign its rights and/or obligations under this Agreement where appropriate.
- m. Upon signing this Agreement, the Landlord has authorised Bassets Property Services Ltd to act as his/her managing agent, in particular with respect to attending to all insurance claims relating to the property or any tenancy thereof.
- n. The Landlord undertakes to notify the Agent of any discrepancies with the management of the property within 14 days of resuming responsibility at the end of the management of the property.
- o. The Agent will inform the Landlord of any rent arrears or breaches of covenant brought to our attention. However, if it is necessary for a solicitor to take action, the Landlord will be responsible for instructing his/her own solicitor and for all the costs involved.

#### **4. CHARGES & EXCLUSIONS**

- a. An ongoing management fee is payable of 13% of the gross monthly rent payable plus VAT.
- b. Additional charges may only be payable by the Landlord to the Agent if:
  - Advertising is required in more specialist publications, in which case any cost will be discussed and agreed with the Landlord up front.
  - The overseeing or project managing of larger repair/maintenance works (over £750) are required, in which case a charge of up to 10% of the total cost of the work will become payable.
  - This Agreement is terminated by the Landlord before the completion of the tenancy documentation by the tenant. In such an event, the Landlord will be required to pay for any advertising and administrative costs already incurred by the Agent together with any reasonable costs incurred by an accepted applicant for a proposed tenancy, where an offer of tenancy has been made to the applicant.
  - The Landlord requires the property to be visited and/or checked regularly during periods of vacancy.
  - The Landlord intends to continue letting to tenants introduced by the Agent after termination of this Agreement, in which case a placement fee equivalent to 80% of one month's prevailing rent plus VAT will be payable.
  - The Landlord sells the property to any tenant or other party introduced by the Agent, in which case the prevailing standard selling fee plus VAT will be payable (or 0.15% plus VAT less than the prevailing rate if the Property has been fully managed by the Agent for at least 18 months).
  - The Agent is required to attend on the Landlord's behalf a rent tribunal in the event of an appeal against a rent review.
  - The Landlord requires the Agent to perform any other duties on his/her behalf which are not already specified within this Agreement as being included in the "full management" service. In such a case, an appropriate charge will be discussed and agreed by both parties before any duties are performed.

#### **5. TAXATION ISSUES FOR NON-RESIDENT LANDLORDS**

- a. If the Landlord expects to be resident overseas for more than 6 months, with his/her earnings not subject to UK tax, then he/she must inform the Agent of this and be responsible for dealing with all his/her tax liabilities arising from the rental of the property.
- b. The Agent is required to liaise with the Inland Revenue and make deductions from the net monthly income at the prevailing base rate, subsequently making quarterly payments to the Inland Revenue (pursuant to the Overseas Landlord Scheme, April 1996). Where an exemption has been obtained (using form NRL1), the Agent is required to continue deducting tax until the exemption certificate is received from the Inland Revenue.
- c. The Agent will liaise with the Landlord's tax advisors as required.
- d. The Landlord is required to inform the Agent of any change to his/her residential status at the earliest possible opportunity.

**6. LEGAL PROCEEDINGS**

In the event that a tenant is in breach of a tenancy agreement, the Landlord him/herself is responsible for instructing a solicitor to instigate legal proceedings and to pay for all resulting costs.

**7. ACCEPTANCE AND VARIATION**

The terms and conditions of this Agreement may be varied by the Agent at any time or times, but only by prior written notification.

I/We confirm that we have read the Agreement and wish Bassets Property Services Ltd to undertake the letting, rent collection and management of the property as my/our managing agent.

I/We also confirm that I am/we are the sole/joint owners of the property known as:

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This Agreement is a legally binding document. Consequently, if you are unsure about your rights in relation to the terms of this Agreement, you may wish to consult a solicitor before signing it.

Landlord's Full Name(s): .....

Signed: .....

Date: .....

Landlord's Full Name(s): .....

Signed: .....

Date: .....

Signed on behalf of the Agent:.....

(for Bassets Property Services Ltd)

Date: .....