

## TERMS OF BUSINESS

### INTRODUCTION/LETTING SERVICE:

#### FINDING A TENANT

We advertise locally (Harborough/Lutterworth Mail and Swift Flash) and nationally (Yellow Pages and Internet - we have our own website and are on Rightmove) and are in contact with Local and International Companies. We may also have suitable applicants on our register.

No valuation, advertising, or "set up" fees are charged. We have a no 'let' no 'fee' policy.

VIEWING - We arrange viewings for prospective tenants, usually accompanied.

REFERENCES \* **Through our reference service we offer a 12 months rent warranty - which covers default and any rent related court action.**

Being regulated and authorised by the FSA (registration number 309886), this is provided by an insurance policy, for which we do not charge our Clients. (\*subject to terms and conditions)

Referencing is done by a separate Company - and includes: a credit check, employment status and previous landlord if applicable. A tenancy will not be granted until we and the Landlord are satisfied as to the applicants' credentials.

#### TENANCY AGREEMENT

We draw up the Tenancy Agreement at no cost to the Landlord. The standard tenancy agreement now in use is the Assured Shorthold, which has to be for a MINIMUM of six months for Landlords, but can be shorter for tenants. This is sent to you for signing and approval from your Legal Advisor or Building Society, if applicable.

#### SIGNING OF AGREEMENT

We ensure the signing of the Agreement by the tenant, at this office or at the property or by post. We can on receipt of Power of Attorney, sign documents on behalf of absentee Landlords.

Our tenancy agreement is approved for "plain" English, as per legal requirements.

Note: a tenancy is only valid and binding from commencement date, not the date when signed.

#### DEPOSIT/1ST RENTAL PAYMENT - FEE DEDUCTION

A suitable applicant will pay one months rent as a deposit, which must **by law from 6/4/07** be protected and held EITHER by the Agent but supported by an insurance backed scheme (of which there are two to choose from) OR by the Government approved scheme.

We opt for the Government scheme - which is FREE to both Landlords and Tenants, hence no extra charges. This decision may however be reviewed at a future date. Please contact us to discuss the Deposit Scheme for further information.

First months rent is paid in advance, and (in the case of Letting only), we deduct all our fees. The balance of monies is then paid directly to the Landlord by cheque. In the case of Let only renewals, by the same tenant, the Landlord will be invoiced.

We charge our Management fees monthly from the rent received. NB WE DO NOT CHARGE ANY SET UP FEES. Rents are paid into our Client Rent account (no extra administration charges will be made however no interest will be payable to the Client). The balance of the Rent, less fee, is transferred direct to the Landlord's account via BACS transfer.

## **FULL MANAGEMENT SERVICE**

### **\*12% IF ON SOLE AGENCY BASIS**

\* MAXIMUM charge - rate will be confirmed and agreed at the time of a rental valuation

### **Includes all Letting Services plus:-**

**INVENTORY** - Essential in light of the Tenancy Deposit Scheme

We arrange an Inventory/Listing/Check-in/Out. Final meter readings will be taken. Items are listed and checked for condition, including walls, curtains and carpets and furniture (soft furnishings must be fire resistant labelled or pre 1950). The tenant will not be given keys/possession unless they have signed and agreed the inventory, at the property, at the time of handover. A gas safety certificate, if applicable, MUST also be given to the tenant, by law.

This Company cannot be held responsible for Inventory discrepancies.

**INVENTORY CHARGES** - Inclusive in Full Management Service Charges, otherwise:

Listing only                    £35 up to 2 bedrooms

Check-in/Check-out    £30 per visit

additional rooms over two bedroom flat/house £10 per room. NB Loft areas/roof spaces are not checked or listed

**UTILITIES inc. Council Tax** - We co-ordinate with the tenant/s to have the names changed into the name of the tenant and can, where possible, arrange final meter readings and forwarding address for the Landlord. The final account is then sent to the Landlord or it may be sent to this office for payment should we be in funds to do so. (Management ONLY)

**TELEPHONE:** Landlord/Tenant must contact BT direct; they will not accept instructions from other parties.

**RENT COLLECTION** - The tenant normally pays rent calendar monthly in advance to this Company in the form of standing order, of which the balance - less fees and any repair costs - is paid directly into our Clients' bank account (via BACS). Therefore we require your bank details. A balance sheet is available quarterly and an annual balance for tax purposes is sent to our Clients. When Managing your property, we must always be in funds for repairs or any outstanding accounts to be paid on your behalf. If we are not in funds we will be unable to pay accounts on your behalf. **We cannot use Company funds to pay your Accounts.**

**RENT INCREASES:** - Subject to inflation and current rental market values/trends.

**RENT ARREARS** - This will be dealt with by a third party who provide the rent warranty cover, and also cover legal costs. However if this is not applicable then in the case of non-payment of rent, after one calendar month, we warn the tenant of pending formal Notice to Quit, which can be issued on two months arrears, giving the tenants 14 days to vacate the premises. Should he/she fail to vacate, we "on taking our client's instruction" apply for a Court Order for possession, via solicitors. We cannot however guarantee the tenants will attend Court, and the Landlord may be liable for all legal expenses. This Company cannot be held responsible for non-payment of rent. Costs to Landlord: Court Order is £150 approximately plus legal fees of solicitors.

**KEYS** - We hand the keys over to the tenant(s) on the moving in date or before if over a weekend. We recommend a set of keys be left at this office for inspection purposes and one set for each tenant moving in to the property.

**INSPECTIONS** - Inspections are carried out three monthly, if required. We notify our Client of the general condition of the property, however we cannot be held responsible for Building defects unseen as we are not Chartered Surveyors or Building Contractors and as such are not qualified to do so. Should we find building defects, we take our Client's instruction accordingly as to repair, however, should the repair be urgent, it will be carried out urgently without written consent from the Landlord. We do not inspect lofts/roof spaces.