

Professional Property Management

Terms & Conditions

FULLY MANAGED SERVICE

LET & RENT COLLECTION

LET ONLY SERVICE

**Oakley Box Estate Agents
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FULL MANAGEMENT SERVICE

We offer the following services:

- Full colour advertising of the property in the local newspaper, website, property listing and office display.
- Eye catching “To Let” sign (subject to restrictions imposed by statute or by the freeholder)
- Accompanying prospective tenants when viewing the property. We will also hold keys to the property whilst on the market, unless a concierge service is available.
- Finding a tenant, negotiating an acceptable rent and obtaining financial references and other such references as you may require or seem prudent.
- Prepare and/or negotiating a tenancy agreement acceptable to both parties.
- Collecting a deposit equal to one and half months rent.
- Collecting the initial monthly rental cleared funds and forward this less our fees together with clear concise monthly statement. All subsequent monthly payments to be collected by the agent and then forwarded to the landlord together with statement of account.
- Upon receipt of notice to extend the tenancy to prepare tenancy renewal contracts and where possible review the current rent.
- Upon receipt of a notice to terminate the tenancy, dealing with practical arrangements including arranging for the checking of the Inventory, transferring the utilities into the Landlord’s name, where possible, and collecting the key. Refunding the balance of the Deposit to the Tenant less any charges agreed between the Landlord and the Tenant for repairs, replacements and cleaning.
- Our Commission is payable and is calculated as a percentage of the gross rent collected under the terms of the Tenancy Agreement for the full duration of the tenancy and any subsequent continuations thereof months’ letting commission.
- Attending to any complaint or enquiry by the Tenant during the tenancy; calling out a contractor to carry out the appropriate repair of remedy; apportioning the charge as appropriate between the Landlord and the Tenant.

- Visiting the property periodically during the tenancy and reporting back to the Landlord on its visual condition. (Note: This is not a structural survey and we are only able to report on the visual condition, which is apparent from this visit.)
- An inventory will be prepared. The inventory will be checked through at the start of the Tenancy, and again at the end of the Tenancy. Any dilapidations to be handled by the agent.
- Following the inventory clerk's report negotiating with the Tenant over dilapidations and either reaching agreement on the sum due or referring the matter to arbitration, and all costs and expenses in relation to such arbitration will be the responsibility of the Landlord or as directed by the arbitrator.
- Paying to the Landlord out of the Deposit the sum (if any) repairs, replacements and cleaning which has been agreed or found due.
- If you are made an offer on your property, which you accept, subject to references, we will charge an abortive fee of £250.00 plus VAT.

FEES

1. Our commission is 10% plus VAT of the gross monthly rent collected. Commission is payable for the full duration of the tenancy and any subsequent continuations thereof.
2. An initial setting up fee of £200.00 plus VAT is payable at the onset of each new tenancy
3. Our renewal fee for the preparation of updated renewal agreements is £35.00 plus VAT.

LET & RENT COLLECTION

- Full colour advertising of the property in local newspapers, website, property listing.
- Eye catching "To Let" sign (subject to restrictions imposed by statute or by the freeholder)
- Accompanying prospective tenants when viewing the property. We will also hold keys to the property whilst on the market, unless a concierge service is available.
- Finding a tenant, negotiating an acceptable rent and obtaining financial references and other such references as you may require or seem prudent.

- Preparing and/or negotiating a tenancy agreement acceptable to both parties.
- Collecting a deposit equal of one and half months rent.
- Collecting the initial monthly rental in cleared funds and forward this less our fees together with clear concise monthly statement. All subsequent monthly payments to be collected by the agent and then forwarded to the landlord together with statement of account.
- Upon receipt of notice to extend the tenancy from the landlord we will prepare tenancy renewal contracts and where possible review the current rent.
- An inventory can be prepared on the property at an additional cost of £50.00 plus VAT. They will check through the Inventory at the start of the Tenancy, and again at the end of the Tenancy. Any dilapidations to be handled by the agent.

FEES

1. Our commission is 8% plus VAT of the gross monthly rent collected. Commission is payable for the full duration of the tenancy and any subsequent continuations thereof.
2. An initial setting up fee of £200.00 plus VAT is payable at the onset of each new tenancy.
3. Our renewal fee for the preparation of updated renewal agreements is £35.00 plus VAT.

LET ONLY

We offer the following services:

- Full colour advertising of the property in local newspapers, website and property listing.
- Eye catching "To Let" sign (subject to restrictions imposed by statute or by the freeholder)
- Accompanying prospective tenants when viewing the property. We will also hold keys to the property whilst on the market, unless a concierge service is available.
- Finding a tenant, negotiating an acceptable rent and obtaining financial references and other such references as you may require or seem prudent.

- Preparing and/or negotiating a tenancy agreement acceptable to both parties.
- Collecting a deposit equal to a month and half rent.
- Collecting the initial monthly rental in cleared funds and forward this less our fees together with clear concise statement.
- Upon receipt of notice to extend the tenancy to prepare tenancy renewal contracts and where possible review the current rent. (Cost of £35.00 plus VAT).
- Once we find a tenant for your property who makes an offer which you accept, references and subject to contract, and you later withdraw from the proposed lettings for reasons other than references, we will charge an abortive fee of £250.00 plus VAT.

FEES

1. Our Commission is for a six-month contract 50% of first month's rent or a minimum of £300.00 for a twelve-month contract, a full months rent or a minimum of £475.00.
2. Our renewal fee for the preparation of updated renewal agreements is £35.00 plus VAT.

ADDITIONAL SERVICES

Sale

In the event of a Tenant or any person or body corporate associated with the Tenant purchasing the premises either before, within 12 months after or during the term of the Tenancy a fee of 2% of the sale price of the property plus value added tax will be payable to us on completion.

RENTAL PROTECTION

We strongly recommend for peace of mind Rental Protection and Legal Costs Insurance, available at a cost of £10.00 per calendar month.

Indemnity does not commence until this proposal and Oakley Box Estate Agents has accepted your tenancy. In outline the policy covers loss of rent up to 'an agreed figure' per month until possession is obtained or rental payments return to normal and/or legal expenses up to 'an agreed figure'.

LEGAL REQUIREMENTS

We are neither lawyers nor accountants and the information set out under this section is intended to be for your assistance, but nonetheless you should seek legal and accountancy advice where appropriate in relation to your obligations.

The Furniture & Furnishings (Fire), (Safety) Regulations 1988 as amended:

Your attention is drawn to these Regulations, which make it an offence to supply certain furniture in the course of a business unless it complies with what are called the "Cigarette test", the "Match test" and the "Ignitability test". The Regulation covers, in general terms, all upholstery and upholstered furniture, loose fittings, permanent or loose covers. The Regulations do not apply to any furniture, which has been manufactured before 1st January 1950. The Regulations now apply to all let property.

The recommended way to check whether furniture complies is to look for labels attached to furniture. Of the furniture no longer has these; you must establish when and where the furniture was bought. Contact the shop/manufacturer and check whether the furniture complies. If you are unable to establish whether the furniture complies, you must replace the relevant furniture. It is **illegal** to let a property with furniture, which does not comply with these Regulations.

The Gas Safety (Installation & Use) Regulations 1998:

Your attention is drawn to these Regulations, which impose obligations:

On any person who owns a gas appliance in premises let by him to ensure that such appliance is maintained in a safe condition to prevent risk of injury to any person and:

To ensure that such appliance is checked and that an appropriate certificate is issued for safety at intervals of not more than 12 months by an approved person. (An approved person is a Corgi (the Council for Registered Gas Installers) contractor who is registered to carry out domestic work). To also give such a certificate to the Tenant at the commencement of the tenancy.

If the Landlord opts for the LET ONLY Service he is responsible for compliance with these Regulations, which are mandatory and carry a criminal sanction for con-compliance. The tenancy cannot be permitted to commence without the appropriate certificate and pass on the charge to the Landlord at extra cost.

If the Landlord wished to instruct us to manage the property, we will arrange the works necessary to obtain the certificate in any event.

The Electrical Equipment (Safety) Requirements 1994:

The above regulations impose an obligation on the Landlord to ensure that the earthing and insulation of all electrical appliances in the property are safe. Cabling, fuses and plugs should also be inspected and replaced where necessary with the correct rating for that particular appliance.

If the Landlord elects to be provided with only the Lettings Service, and not the Management Service, he is responsible for compliance with these Regulations.

If the Landlord wishes to instruct us to manage the property, we will make arrangements at the commencement of the tenancy (and after that, at least once every five years) for the necessary inspections and repairs (if required) to take place, but at the Landlord's expense.

The Building Regulations 1991:

These regulations require that all properties built since June 1992 must be fitted with mains-operated interlinked smoke detectors/alarms on each floor.

Properties built before that date do not have such a statutory requirement, but we recommend that you should consider the installation of smoke alarms in your property.

Overseas Landlords:

In accordance with the Finance Act 1995 the Inland Revenue has introduced a system of Self Assessment and all overseas Landlords may apply to the Inland Revenue for a Certificate of Self Assessment in order for rents to be paid over gross. We would strongly recommend that all overseas Landlords apply for Self-Assessment.

However, in all other cases we are required by law to deduct the tax for all overseas Landlords at the basic rate (currently 22%) from the net rental income and pay this on a quarterly basis to the Inland Revenue.

Should you not apply for or if you are refused Self Assessment then we are obliged to submit to the Inland Revenue quarterly returns.

We are not qualified accountants we would therefore recommend that you take professional advice regarding these regulations.

Value Added Tax:

Value Added Tax at the current rate of 17.5% is added to all commission and any other sums or fees due or payable to us, irrespective of where the Landlord or the Tenant is normally domiciled or resident for tax purposes.

Fair Contract Terms:

We are legally required under the Unfair Terms in Consumer Contracts Regulations 1994 to ensure that our standard terms are fully understood and acceptable. Consequently if you do not understand or do not wish to accept any of our terms please tell us and we would be pleased to discuss them with you.

By signing our Acceptance Form it is assumed that you are accepting our terms and accept that they are reasonable.

The Right to Let:

Mortgages

In most cases when a property is subject to a bank loan or mortgage, permission is required from the lender before the property can be let. It is up to the Landlord to obtain the necessary permission and we strongly advise this is applied for at the earliest opportunity. When you sign the contract with us you are confirming that you have the right to instruct us to let the property. We may require sight of any confirmation from a lender consenting to the letting.

Leasehold

If you hold the property on a leasehold you must also ensure that letting is allowed under the terms of lease and whether written permission is required for you to sublet. Again we strongly advise this is done at the earliest possible time and we may also require sight of formal consent.

Insurance

You will need to advise your contents insurance that the property is let.

Stamp Duty:

With effect from 1st December 2003, stamp duty is no longer payable on basic tenancies unless the total amount payable reaches £60,000.

Where the total rent payable under a tenancy or any combination/series of tenancies (including Periodic tenancies) has a Net Present Value (NPV) in excess of £60,000 then under revised regulations introduced on 1st December 2003 the Tenant is legally obliged to arrange and pay for stamping of the tenancy agreement within 30 days of the commencement date. If the tenant has any reason to believe that the NPV of the tenancy or series of tenancies is close to or exceeds the £60,000 figure then they are strongly recommended to seek specialist professional advice.

DEFINITIONS OF MAIN TERMS

“The Landlord”

is the person or company that has the legal right as freeholder or leaseholder to let the property.

“The Tenant”

is the person or company that rents the property during the term agreed in the Tenancy Agreement.

“The Tenancy Agreement”

is the written contract between the Landlord and the Tenant setting out the terms of the tenancy including the rent and includes any extension or renewal of the original agreement.

“Rent”

is the sum payable by the Tenant to the Landlord for the duration of the tenancy inclusive of ground rent and service charge but excluding gas, electricity, telephone and council tax except where otherwise specified. Responsibility for paying water and sewage rates is a matter for negotiation.

“Commission”

is our remuneration for letting and, where selected, managing the property and is a percentage of the rent exclusive of ground rent and service charge. It is payable by the Landlord to ourselves as long as the tenancy continues whether or not the Landlord disposes of his own interest in the property. It is payable from each rental payment.

“The Inventory”

is a detailed check of the contents item by item, their condition and the visual state of the property.

“The Deposit”

is the sum of money – equal to a month and half of the rent lodged with us by the Tenant at the start of the tenancy and is intended to cover any damage or loss incurred during the tenancy. We hold it as a stakeholder according to the terms of the tenancy agreement between the Landlord and the Tenant. It belongs to the Tenant and any balance after deducting costs etc. must be returned to him. If the Deposit is insufficient we will invoice the Tenant direct on behalf of the Landlord. Any disputes that cannot be settled within 14 days must be resolved by the Tenancy Deposit Scheme.

“The Tenancy”

is the full period during which the Tenants rents the property from the Landlord.

SUMMARY OF CHARGES

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| Full Management Service | 10% plus VAT of the monthly rent |
| Let & Rent collect | 8% plus VAT of the monthly rent |
| Let Only Service | 6 month contract: 50% of the 1st months rent with a minimum of £300.00 + VAT, 12 month contract: 1st months rent with a minimum of £475.00 + VAT |
| Abortive Fee | £250.00 + VAT |
| Set Up Fee/negotiating the Tenancy Agreement | £200.00 + VAT |
| Sale to the Tenant | 2% of the sale price + VAT |
| Renewal of Tenancy Agreement | £35.00 + VAT |
| Rental Protection Insurance | £75.00 + VAT for a 6-month contract. £120.00 + VAT for a 12-month contract. |

Rental protection can only be taken out at the start of a tenancy and is subject to the tenant passing the relevant reference process.

Note :

From 6th April 2007 all Tenant's deposits have to be protected under a Tenants Deposit Scheme and £30+ vat of £5.25 will charged to the Landlord at the start of each new tenancy. All deposits must be registered within 14 days of taking the deposit.