

# **AGENCY AGREEMENT**

## **- Letting Only Service -**

This Agreement is made between the Landlord of the Property (as named at the end of this Agreement) and The Accommodation Shop, who agree to act as the agent for the Landlord and are hereinafter referred to as “the Agent”. The purpose of this document is to set out clearly and concisely the extent of the letting and management service offered and the scale of fees charged.

**The terms of the Agreement set out in this document will constitute a binding legal contract. If you are unsure of your obligations under this Agreement, then you are advised to take legal advice before signing. This Agreement is set out to comply with the requirements of the Provision of Services Regulations 2009 SI 2999.**

### **The Standard Non-Managed (Letting Only) Service Includes:**

- Advise the Landlord of the realistic achievable market rental of the property.
- Advise the Landlord of his/her statutory and contractual obligations.
- Advertising and generally marketing the property.
- Carry out viewings of the property while the property is being marketed.
- Interviewing prospective tenants and taking up full references by means of a specialist third party referencing company; including bank references, employer references and current Landlord references where applicable. Where necessary, additional security would be requested by means of a guarantor who will also undergo the same reference checks. In the case of a company let, a full bank reference would be taken.
- Preparing the tenancy agreement necessary for the Landlord to gain protection of the relevant Rent and Housing Acts.
- Preparing an inventory for the property which will be checked and signed with the new tenant on the day of the check in.
- Check the tenant into property at the start of the tenancy, where the inventory will be signed and take all meter readings. Taking the deposit from the tenant at the start of the tenancy. Handing the deposit over to the Landlord, only once proof of protection has been provided or, arranging for it to be protected at an additional fee.
- Collecting the first months rent from the tenant and forwarding it onto the Landlord after the agency or any other fees have been deducted. Then providing the tenant with the Landlords payment details so he/she can pay the Landlord directly.
- Informing all the relevant service companies of the change of tenant and providing them with meter readings on the check in.

### **List of Fees and Charges**

#### **Non-Managed**

Setup Fee – **1 Months Rent (Min £350.00 - Max £600.00)**

Check Out Fee (*if required*) - **£100.00**

#### **Rent and Legal Expenses Insurance**

Towergate (*Annual Premium*) - **2.99%**

**Minimum Fee - £350.00**

#### **Additional Fees**

Section 8 Notice (*notice to quit*) - **£75.00**

Section 21 Notice (*notice to quit*) - **£50.00**

Section 13 Notice (*rent increase*) - **£50.00**

Section 48 Notice (*change of Landlord*) - **£50.00**

Contract Renewal - **£50.00**

Court Appearances (*per hour*) - **£40.00**

Deposit Protection - **£50.00**

## - Terms of Business -

### **1. GENERAL AUTHORITY**

The Landlord confirms that he/she is the sole or joint owner of the property and has the right to rent out the property under the terms of the mortgage or head lease. Where necessary, the Landlord confirms that permission to let has been granted by the mortgagee. The Landlord authorises the Agent to carry out the various duties required for letting the property, including those listed in items 1-12 of the standard non-managed service – detailed previously.

### **2. REASONABLE COSTS AND EXPENSES**

The Landlord agrees to repay the Agent for any reasonable costs, expenses or liabilities incurred or imposed on the agent, provided that they were incurred on behalf of the Landlord in pursuit of the Agent's normal duty.

To assist the Agent in carrying out his duties effectively, the Landlord agrees to respond promptly with instructions when necessary to any correspondence or requests from the Agent.

### **3. MAINTENANCE**

The Landlord agrees to provide the property in good and lettable condition and that the property, beds, sofas and all other soft furnishings conform to the current fire safety regulations. The Landlord agrees to make the Agent aware of any ongoing maintenance problems.

By law, it is necessary to carry out an annual inspection for the central heating and any gas appliances, as well as providing an EPC (Energy Performance Certificate) for the property. The Agent can carry this out on the Landlord's behalf and expense and administrate the necessary inspection and maintenance records.

### **4. 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 (HMO) responsibility for payment of council tax then rests with the owner of the property.

### **5. SERVICES**

The Agent will take meter readings whenever possible at each change of occupation and will inform the relevant service companies (electricity, gas, water, sewage & council tax) of these readings and the change of occupation. In many cases, the service companies (e.g. telephone, internet or television) require that the new occupier 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.

Regarding mail, Landlords should take care to inform all parties (e.g. clubs, banks, societies etc.) of their new address, as it is not always possible to rely on tenants to forward mail.

### **6. INVENTORY**

The deposit protection schemes established under the terms of the Housing Act 2004 require that all Landlords need to be protected by a good inventory and condition reports from the outset. The Agent will prepare an inventory with photos as evidence attached, which will be included in the agency fee. The standard inventory will include all carpets, wall coverings, curtains, mirrors, all removable items, ovens, white goods, gardens and any other articles that, in the opinion of the Agent, need regular checking.

Landlords should not leave any items of exceptional value in the property.

### **7. TENANCY AGREEMENT**

The agency fee also includes the preparation of a tenancy agreement in the Agent's standard form. Should the Landlord, advisors or mortgagees require amendment of the contract or require the Agent enter into further work or correspondence, a fee for this extra work may be requested (or you may have the tenancy agreement amended by your own adviser at your own expense).

The tenant will be provided with his/her own copy of the tenancy agreement, a second copy will be held in our office, and an additional copy will be forwarded to the Landlord along with the first months statement.

It is agreed that the Agent may sign the tenancy agreement(s) on behalf of the Landlord.

### **8. TENANT HOLDING/REFERENCING FEES**

A holding/referencing fee is generally taken from a tenant applying to rent a property. The purpose of this fee is to verify the tenant's serious intent to proceed, and to pay the Agent administrative expenses.

The holding fee does not protect the Landlord against loss of rent due to the tenant deciding to withdraw his/her application before the contract is finalized.

Landlords should notify the Agent if they wish a larger security fee or deposit to be taken.

Landlords will be liable to reimburse the prospective tenants referencing fees if the Landlord withdraws the property once the referencing process has already begun.

## **9. DEPOSITS**

Upon signing the tenancy agreement, the Agent will take a dilapidations deposit from the tenant(s) in addition to any rents due. The purpose of the deposit is to protect the Landlord against loss of rent or damage to the property during the tenancy itself.

Where the tenancy is an assured shorthold tenancy, it is a legal requirement that either the Agent or Landlord protect the deposit in a separate secure Government-regulated holding scheme account within 4 days of receipt.

For this, The Accommodation Shop use:

- The Deposit Protection Service (DPS)
- My Deposits

When using one of the statutory tenancy deposit protection schemes above, the Agent will provide to the tenant within 14 days the following information required from the Landlord by the Housing Act 2004:

- a) information on the particular scheme under which the tenancy deposit is protected
- b) compliance by the Landlord with his obligations under the Act, and
- c) prescribed information for the tenant.

If the Landlord intends to protect the deposit him/herself, they must provide the Agency with proof of protection before the Agent can transfer the deposit to the Landlord.

## **10. TERMINATION**

### **Agency Agreement.**

This agreement may be terminated by either party by way of three months' written notice. The Minimum Fee applies if on termination the total fees due are less than the Minimum Fee. Where cancellation of this Agreement is unavoidable due to circumstances beyond the control of either party, the Minimum Fee will not apply and any pre-payments will be returned to the person entitled to them, less any expenses reasonably incurred to the date of cancellation.

### **Tenancy Agreement.**

The Landlord shall provide the Agent with any requirements for return and repossession of the property at the earliest opportunity. Landlords should be aware that any tenancy agreement entered into on the Landlord's behalf is a legally binding agreement for the term agreed. Details of a tenancy agreement entered into on the Landlord's communicated to the Landlord as soon as possible. Landlords should be aware that the legal minimum notice period to tenants under assured tenancies is generally two months (should the contract allow for early termination) and this needs to be given even in the case of a fixed term tenancy which is due to expire.

### **Agreements signed away from the Agents office.**

Where the Agency Agreement is cancelled using early termination rights granted under any consumer protection legislation that provides for initial 'cooling-off' period, then the Landlord agrees to repay any reasonable costs incurred by the Agent carrying out their duties before the cancellation of the contract.

## **11. SOLE LETTING RIGHTS**

It is agreed that only the Agent or the Landlord(s) may let the property.

## **12. SAFETY REGULATIONS**

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 electric appliances and installations within a property, and with respect to the safety of furniture and soft furnishings provided. The following regulations apply:

- Furniture and Furnishings (Fire) (Safety) Regulations 1988.
- General Product Safety Regulations 1994
- Gas Safety (Installation and Use) Regulations 1998
- Electrical Equipment (Safety) Regulations 1994
- Plugs and Sockets (Safety) Regulations 1994

It is agreed that the Landlord shall ensure that the property is made available for letting in a safe condition and in compliance with the above regulations. The Landlord agrees to repay the Agent costs in incurring any reasonable expenses or penalties that may be suffered as a result of non-compliance of the property to fire and appliance safety standards.

## **13. INSTRUCTIONS**

It is agreed that any instructions to the Agent from the Landlord regarding contract termination, legal proceedings, major repairs or other significant details regarding the letting be confirmed to the Agent in writing.

## **14. VALUE ADDED TAX**

Our fees and charges to the Landlord all include VAT which is added to the fee at the appropriate rate.

**15. INSURANCE**

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

The Accommodation Shop is FSA (Financial Services Authority) registered under registration no. 313799 and can provide insurance policies at competitive rates.

**16. LEGAL PROCEEDINGS**

The Landlord is responsible for payment of all legal fees and any related costs; however the Agent can provide assistance and carry these out on the Landlords behalf if requested.

**17. RENEWALS**

The Agent does not carry out contract renewals after the term has expired; instead it becomes a statutory periodic assured shorthold agreement. However the contract can be renewed at the specific request of either the Landlord or Tenant at an additional cost (as specified in the list of charges and fees).

**18. ACCEPTANCE AND VARIATION**

The terms and conditions of this Agreement may be carried by either party, but only with two months' prior written notice.

**LANDLORD(S) DETAILS**

(Full Names)

**Landlord (1)** .....  
**Full Address** .....

**Landlord (2)** .....  
**Full Address** .....

**Landlord (3)** .....  
**Full Address** .....

(If you live abroad and wish to receive your rent without tax deductions, please provide Non Resident Landlord Certificate Number.)

**Home no**..... **Mobile no**..... **Work no**.....

**Email** .....

**PROPERTY(S) DETAILS**

(This Agreement also includes any other additional properties that the Landlord requests the Agent to manage.)

**MORTGAGE LENDER**

(Name, address, roll number and contact details.)

**FREEHOLD / LEASEHOLD?**

(If Leasehold, please provide the name and address of the Freeholder or Managing Agent, along with a copy of the Lease.)

**FREEHOLD** [  ]

**LEASEHOLD** [  ]

**ACCOUNT DETAILS**

(To transfer rent to your account.)

Name of Account Holder .....

**Bank Name** .....

**Address** .....

Account Number ..... Sort Code .....

**INSURANCE**

(Please note, we strongly recommend all Landlords take out Rents and Legal Expenses Insurance. If you would like Buildings or Contents insurance please complete our Insurance Questionnaire sheet.)

The Accommodation Shop to arrange Buildings Insurance

The Accommodation Shop to arrange Contents Insurance

The Accommodation Shop to arrange Rent and Legal Expenses Insurance

**SAFETY REQUIREMENTS AND CERTIFICATES**

(Please tick what arrangements have been made to provide the following.)

<b>Gas Safety Certificate (CP12)</b>	Landlord <input type="checkbox"/>	Agent Arranges <input type="checkbox"/>
<b>Electrical Safety Report</b>	Landlord <input type="checkbox"/>	Agent Arranges <input type="checkbox"/>
<b>Energy Performance Certificate (EPC)</b>	Landlord <input type="checkbox"/>	Agent Arranges <input type="checkbox"/>

**FEES**

(All fees are exclusive of VAT.)

<b>Setup Fee (£):</b>	<b>Relet Fee (£):</b>	<b>Deposit Protection Fee (£):</b>
<b>Monthly Commission (%):</b>	<b>Renewal Fee (£):</b>	

**DECLARATION**

I/we confirm that we are the sole/joint owners of the property.  
I/we fully understand and agree to the Terms and Conditions specified in this agreement.

**Signatures of Landlords**

1. .... **Date** .....
2. .... **Date** .....
3. .... **Date** .....

**Signature of Agent**

▪ ..... **Date** .....