

## **LETTING AND MANAGEMENT TERMS AND CONDITIONS: LANDLORD**

### **IT IS HEREBY AGREED AS FOLLOWS:-**

#### **DEFINITIONS**

"You", "The Landlord", "Owner" - named in the instruction form or its/his/her successors in title or assigns or any person claiming through or under the Landlord, or any person with an interest in the property with a legal right to let.  
"The Property" - together with fixtures furniture appliances and effects  
"We" "Us" "Agent" "Letting/Management Agent" – meaning Rumball Sedgwick.  
"The Tenant" - Any tenant or tenants of the Property introduced by Rumball Sedgwick.  
"Tenancy" - the entire period that the Tenant remains in occupation of the Property.  
"Commission" – the commission or remuneration payable by the Landlord in consideration of the Services provided by Rumball Sedgwick in accordance with our terms and conditions.

#### **General Terms**

1. The Owner hereby appoints Rumball Sedgwick as the Letting/Management Agent.
2. The Owner will employ Rumball Sedgwick as sole Letting/Management agent. See notes under Section 8(iv).

#### **Termination**

3. (i) The Landlord is required to provide two month's written notice to terminate this Agreement, after a minimum initial six month management period. The Letting/Management agent is required to provide two month's written notice to terminate this agreement, at any time.  
(ii) Two months written notice is required to terminate this agreement after a property has been re-let, but this termination cannot take effect until six months of the new tenancy has passed. The agent may give two months notice at any time.  
(iii) The Management Period shall terminate:  
(a) If either party shall be wound up either compulsorily or voluntarily or become bankrupt or makes a compromise with his or their creditors, or  
(b) If either party having committed a serious breach of this Agreement shall neglect or otherwise fail to remedy such breach (whether capable of remedy or not) within two months of being required to do so in writing by the other party and such other party thereafter serves upon the party a default notice in writing to summarily terminate the Management Period.

#### **Duties of the Letting / Management Agent**

4. Rumball Sedgwick will manage the property, where instructed to provide a Management Service, in a proper and businesslike manner in accordance with the Rumball Sedgwick Letting Guide (current edition). Rumball Sedgwick are not responsible for vacant properties with regard to any buildings or contents insurance conditions as specified by the Landlord's insurance company. The Landlord must ensure that in winter months adequate measures are taken to ensure the property is not at risk of frost and/or water damage.

#### **Provisions and Exclusions**

5. Without prejudice from the generality of the foregoing provisions it shall be the duty of the Lettings/Management Agent hereunder during the management period, subject to restrictions on the service provided, to:-  
(i) Use reasonable endeavours to procure on the best terms a suitable tenant for such part of the premises as the Owner shall wish to let.

- (ii) Prepare and complete a standard Tenancy Agreement in respect of every letting.
- (iii) Use all reasonable endeavours to collect on behalf of the Owner all monies and rents falling due for payment to the Owner.
- (iv) Pay and discharge, out of monies and rents collected any service charges due, council tax payments due, or other outgoings reasonably incurred on the property, where applicable.
- (v) Instruct contractors of good professional standing to carry out repairs to the premises or any part of the premises in accordance with the owner's instructions. Should the agent receive commission or other payment from appointed contractors these shall belong to the agent.
- (vi) Arrange for electricity and gas checks, at the cost of the Landlord, unless specifically instructed not to by the owner. In the absence of relevant certificates being provided by the owner the checks will in any case be carried out and the costs deducted from rental income.
- (vii) Account to the owner, on a monthly basis, the balance of account and balance of all monies held by the management agents which are for the time being due to the owner but held by the agent in respect of any current or anticipated liabilities (including fees payable) unless otherwise agreed.
- (viii) Provide the owner, on a monthly basis, with an account of income and expenditure on the property.

6. It is hereby agreed that it shall be no part of the duties or powers of the Lettings/Management Agent to supervise or in any way be responsible for checking or supervising works carried out to the property save to employ competent contractors or in-house personnel to carry out works on a professional basis.

7. The Lettings/Management Agent shall not be held responsible for checking any mechanical or electrical appliances or other fixed equipment at the termination of a tenancy.

7.1 Unless caused by the Agent's negligence in the provision of the Service, no liability shall be attached to the Agent either in contract or in tort or otherwise for any loss, injury, damage or legal or other expenses sustained as a result of:

- (i) the Agent, having reasonably relied upon the Client, to provide accurately all relevant information
- (ii) any forecast by the Agent of future income and expenditure;
- (iii) any defect or failure to identify any defect in the Property, fixtures and fittings or furnishings whether or not such defect be latent or apparent upon examination;
- (iv) the act, omission or insolvency of any person other than the Agent; and
- (v) any failure of the Tenant to pay the rent or comply with the Terms of the Tenancy Agreement

7.2 The Client shall indemnify the Agent in respect of any claims made by another or third party for any loss, injury, damage or legal or other expenses referred to in Clause 7.1 above.

7.3 The Agent shall not be liable to indemnify the Client in respect of any claims made by another or third party for any loss, injury, damage or legal or other expenses arising as referred to in Clause 7.1 (i) to (v) above.

7.4 Clauses 7.1-7.3 above shall not be valid insofar as prohibited by statute.

7.5 Under no circumstances shall the Agent be liable for any consequent loss or damage, save where death or injury results from negligence on the part of the Agent or employees.

### Costs

8. (i) If a let has been agreed between landlord and tenant, references completed and tenancy agreement prepared and the landlord subsequently withdraws the property, a withdrawal fee of £500 inc. VAT will be payable for both Managed and Let Only properties.

(ii) A charge of £10.00 plus VAT per month will be charged to non-FICO registered overseas Landlords in respect of additional accountancy costs.

(iii) If other insurances including Legal Protection are arranged on behalf of the Landlord, premiums will be deducted from rents received and policies will be renewed on an annual basis thereafter until such time as the Landlord gives written notification to the agent to terminate the policies. Rumball Sedgwick may receive a commission from the insurance companies in respect of policies arranged through their offices.

(iv) Rumball Sedgwick shall have sole letting rights on the property for a period of 8 weeks from the commencement of marketing. In the event of other agents being instructed after this period, the agreed fee will rise by 2% for the first six months in the event of the property being let by Rumball Sedgwick.

(v) Rumball Sedgwick will charge a fee as agreed with individual clients plus VAT on the gross amount of all rent agreed and received by the Management Agents on behalf of or paid direct to the Owner during the management period.

(vi) In the event of a landlord authorising preparation of references and subsequently withdrawing the property the landlord will via Rumball Sedgwick be responsible for refunding the application fee to the prospective tenants.

(vii) In addition, the Letting/Management Agent shall be entitled to reimburse and retain out of any monies collected the amount of all expenses and disbursements properly incurred by the Letting/Management Agent in the performance of their duties as Lettings/Management Agent.

(ix) For managing and overseeing refurbishments or works costing over £350, a fee of 10% of the contract price + VAT will be charged.

### Working Balance

9. The Lettings/Management Agent shall hold a working balance of £250 in respect of the Landlord's account unless an alternative has been agreed in writing. At the end of the Management Period any working balance will be refunded to the Landlord within three months.

### Repairs & Third Party Contractors

10. (i) In the event of a landlord using nominated contractors to carry out repairs the agent reserves the right to instruct their own contractors if the landlord's nominated contractors prove to be inefficient, unreliable or incompetent in any way.

(ii) If any third party contractor pays any commission to the Agent these shall belong to the Agent.

### Work In Progress

11. In the event of contractors being instructed on a Landlord's behalf to carry out work where the cost of which will be over expected rental income, or if no income is being received, the Landlord will provide the Agent with sufficient funds to cover the expense of these works on demand.

### Loss or Damage

12. The Agent shall not be liable for any loss or damage that the Owners may suffer through the act, default or negligence of any tenant or any other person which may arise otherwise than according to the conditions of the Tenancy Agreement with the through the negligence or wilful default on the part of the Agent.

### Dispute

13. Any unresolved dispute between the Client and Agent arising in respect of the management of the property will be referred at the instigation of either or both parties to the Association of Residential Letting Agents who will appoint an independent arbitrator. The Agent shall endeavour to mediate and resolve any disputes or matters for re-negotiation during a tenancy between Landlord and Tenant for example over dilapidations or monies due by either party to the other before resorting to referring the issue(s) to the Court.

### Sale of Property

14. (i) If the rental property is to be sold through these offices, the Landlord will be entitled to a discount on the normal sale fee.

(ii) In the event of the tenant or previous tenant purchasing the property directly through these offices or directly from the Landlord a fee of 1% of the sale price plus VAT will be payable to the Management Agents. This will also apply to any other person or applicant introduced to the property by the Management Agents. This will apply during the management period or for a period of one year after management has ceased. This does not apply to properties marketed through our Sales Department where a separate fee will have been agreed.

### Overseas Landlords

15. In respect of Landlords residing overseas, it is the Landlord's duty and responsibility to provide the Agents with the necessary documentation to pay rentals gross. In the absence of any exemption certificate, the Agents are required by the HM Customs and Revenue to withhold basic rate tax from the rental income and to pay such sums over on a quarterly basis, for which Rumball Sedgwick will levy a charge to the Landlord. See Clause 8(ii).

### Alteration of Instructions

16. Any alterations in instructions will be confirmed either in writing by post, fax or e-mail to the Agent's office.

### Deposits

Rumball Sedgwick are members of the Tenancy Deposit Scheme (TDS). Under that scheme we are required to provide you with the following information. If the Agent is required to send disputed deposit cases to the TDS there will be an administration charge to the Landlord.

### 17. Definitions relating to The Dispute Service (TDS)

**Landlord:** Owner of the property or a person who has a material interest in the property and a legal right to let it.

**Property:** The address that is to be let.

**Deposit:** Money held at the beginning of the tenancy.

**Stakeholder:** How the deposit is held. As stakeholder, agreement must be reached between landlord and tenant on how the deposit is distributed/ spent/returned.

**ICE:** The Independent Case Examiner of The Dispute Service

### The tenancy deposit – managed properties:

Rumball Sedgwick, the Agent, is a member of the Tenancy Deposit Scheme, which is administered by: The Dispute Service Ltd., PO Box 541, Amersham, Bucks HP6 6ZR Tel: 0845 22 67837 Email: [deposits@tds.gb.com](mailto:deposits@tds.gb.com) Fax: 01494 431 123

(i) If the Agent is instructed by the Landlord to hold the Deposit, the Agent shall do so under the terms of the Tenancy Deposit Scheme. The Agent in the case of managed properties will hold the deposit and the Agent shall do so under the terms of the Tenancy Deposit Scheme.

(ii) The Agent holds tenancy deposits as Stakeholder. At the end of the tenancy covered by the Tenancy Deposit Scheme.

(iii) If there is no dispute 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 Landlord and the Tenant. Payment of the Deposit will be made within 10 working days of written consent from both parties.

(iv) If, after 10 working days following notification of a dispute to the Agent and reasonable attempts have been made in that time to resolve any differences of opinion, there remains an unresolved dispute between the Landlord and the Tenant over the allocation of the Deposit it will (subject to 17.5 below) be submitted to the ICE for adjudication. All parties agree to co-operate with any adjudication.

(v) When the amount in dispute is over £5,000 the Landlord and the Tenant will agree by signing the Tenancy Agreement to submit the dispute to formal arbitration through the engagement of an arbitrator appointed by the ICE although, with the written consent of both parties, the ICE may at his discretion accept the dispute for adjudication. The appointment of an arbitrator will incur an administration fee, to be fixed by the Board of The Dispute Service Ltd from time to time, shared equally between the Landlord and the Tenant. The liability for any subsequent costs will be dependent upon the award made by the arbitrator.

(vi) The statutory rights of either you/the Landlord or the Tenant(s) to take legal action against the other party remain unaffected.

(vii) It is not compulsory for the parties to refer the dispute to the ICE for adjudication. The parties may, if either party chooses to do so seek the decision of the Court. However, this process may take longer and may incur further costs. Judges may, because it is a condition of the Tenancy Agreement signed by both parties, refer the dispute back to the ICE for adjudication. If the parties do agree that the dispute should be resolved by the ICE, they must accept the decision of the ICE as final and binding.

(viii) If there is a dispute we must remit to The Dispute Service Ltd 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. Failure to do so will not delay the adjudication but The Dispute Service Ltd will take appropriate action to recover the deposit and discipline us.

(ix) We must co-operate with the ICE in the adjudication of the dispute and follow any recommendations concerning the method of the resolution of the dispute.

(x) The landlord will pay contractors' and agent's disputed costs pending resolution.

Clauses 17 (xi) and 17 (xii) apply solely to Let Only Properties

**The tenancy deposit – let only properties**

(xi) If the landlord decides to hold the Deposit we will transfer it to you within 5 days of receiving it. 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. The Landlord shall provide copies of confirmation of protection of deposit monies to the Agent. If the landlord fails to do so the Tenant can take legal action against the Landlord in the County Court. The Court will make an order stating that the Landlord must pay the Deposit back to the Tenant until compliance with the above conditions and the Court will not grant the Landlord a possession order. The Agent has no liability for any loss suffered if the Landlord fails to comply.

or

(xii) If the Landlord decides to hold the Deposit and the Tenancy is an Assured Shorthold Tenancy the Landlord must specify to the Agent prior to the start of the Tenancy under which other Tenancy Deposit Protection Scheme the Deposit will be covered. The Landlord must provide proof of membership, together with a copy of the insurance policy before the Deposit can be released. If the Deposit is to be sent to the custodial scheme such as the Deposit Protection Scheme, the Agent will provide a cheque for the amount of the Deposit within 5 days of the start of the let. The Landlord has a legal responsibility to provide confirmation of the protection of tenancy deposit monies to the Tenant within prescribed timescales and the Agent is not liable for any Landlord failing to comply with these time constraints.

**Signing of the Tenancy Agreement**

18. The Landlord agrees and accepts that any of the Partners or senior members of staff are legally able to sign on behalf a Tenancy Agreement and any Notice to be issued under the Housing Act 1988 as amended by the Housing Act 1996 and the Landlord and Tenant Act 1987 and any amending legislation in respect of the property at the address shown at Page 1 of this Schedule.

**Incorrect Information**

If 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 causes legal proceedings to be taken the landlord agrees to reimburse and compensate the Agent for all losses suffered.

**Inventory**

An inventory must be prepared and available to the Agent at least 48 hours in advance of the start of the let. The Agent reserves the right to prepare an inventory or instruct a third party to prepare an inventory at the expense of the Landlord to ensure the condition of the property is properly recorded at the start of the tenancy.

**Buildings and/or Contents Insurance Claims**

Should the Landlord require the Agent to pursue a claim to an insurance company on their behalf with regard to the property the Agent will make an administrative charge for acting in this capacity. The Agent is not responsible for any decision made by the Insurance Company in respect of any claim made to them.

SCALE OF FEES:

FULL MANAGEMENT SERVICE (All fees are subject to VAT and subject to change)

Full Management	% of monthly rent
Tenancy Deposit Scheme Handling Fee	£40.00 per tenancy
Inventory Costs	Agreed on an individual basis
Over-seeing refurbishment works (over-seeing ongoing maintenance of a general nature is included in the management fee). See clause 8(ix).	12.5% of the contract price min £750 + VAT  Please note that due to the nature of some refurbishment/repair works, our Lettings Team are not able to offer this service for all projects. Rumball Sedgwick are, however, able to offer the services of our Building Surveying Team for suitable projects, subject to agreed terms and fees with the relevant department.
Overseas Landlord charge for additional accountancy work (non FICO registered)	£20.00 per month
Copy Statements	£20.00
Non-Residents Year End Tax Return	£25.00
Annual income & expenditure report	£50.00
Tenancy Renewal: Negotiation & administration	£80.00
Periodic Tenancy: Negotiation & administration	£60.00
Processing Insurance Claims	Agreed on an individual basis min charge £500

SCALE OF FEES:

LET-ONLY SERVICE (All fees are subject to VAT and subject to change)

Let Only	% of rental for the term agreed (subject to £500 minimum fee), then  5% of rental, up to a maximum of an additional 6 months, when the tenancy with the tenants found by Rumball Sedgwick continues either on a periodic tenancy or is renewed.
Rent collection (where instructed as an additional service)	£50.00
Holding the deposit for non-managed properties	£100.00 per tenancy
Inventory Costs	Agreed on an individual basis
Overseas Landlord charge for additional accountancy work (non FICO registered)	£20.00 per month
Copy Statements	£20.00
Annual income & expenditure report	£50.00
Tenancy Renewal: Negotiation & administration	£80.00
Periodic Tenancy: Negotiation & administration	£60.00

Other services	Agreed on an individual basis
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Instruction can only be accepted upon the basis that the following conditions have been met:

#### Confirmation of Ownership

The instructing Landlord(s) must confirm that they are the actual owner of the property. Permission to let the property has to be obtained from each owner. Each owner must provide Rumball Sedgwick with a copy of their passports or photographic ID.

If electing a Power of Attorney to manage your affairs, we, the Agent, are required to hold a certified copy of the Deed stating this.

The Landlord/s must notify Rumball Sedgwick immediately of any changes in details or circumstances.

#### Sub-Letting

If you are a tenant or lessee you must make certain that:

- i) The intended letting is permitted by your lease
- ii) The intended tenancy is for a period expiring prior to the termination of your lease
- iii) Your superior Landlord's written permission has been obtained for sub-letting.
- iv) Rumball Sedgwick and Tenants are informed of any conditions that must be adhered to in the head lease, by way of providing a copy of that lease so that it may be incorporated into the tenancy agreement.

#### Mortgages

Where the property to be let is subject to a mortgage, permission should be obtained from the mortgage lender prior to the let commencing, and confirmation provided to the Agent.

#### Insurance

You must ensure that the building and contents insurance cover is adequate and that the policy is valid for let properties. Tenants should be informed of any specific requirements of the policy that they need to adhere to, for instance, not leaving the property unoccupied for a period greater than 28 days without notifying the insurance company.

#### Landlord Statutory Legislation and Related Obligations

##### Gas Safety (Installation and Use) Regulations 1998

The Landlord is legally obliged to have all gas appliances and any fixed installations inspected, and a 'Landlords Gas Safety Certificate' produced, at least every 12 months by a Gas Safety registered engineer. The valid certificate is required to be provided to the Tenant and/or displayed at the Property. Should any appliances or installations fail the safety check, the Landlord will be required to repair or replace the items. The Landlord will warrant to Rumball Sedgwick that these regulations have and will continue to be fully complied with.

##### Energy Performance Certification October 2008

It is a statutory requirement that an Energy Performance Certificate (EPC) is undertaken on all residential properties to be let at the commencement of the marketing. For existing properties already let an Energy Performance Certificate is required at a change of tenant. An EPC is valid for ten years.

The Furniture and Furnishings (Fire) (Safety) Regulations 1988, amended 1989 & 1993 The Landlord has a legal obligation to ensure that all furniture in the property to be let and included in the letting, provided or added during the Tenancy fully comply with the requirements of the Consumer Protection Act 1987 and all statutory instruments made under it including in particular the Furniture (Fire) (Safety) Regulations 1988 as amended by the Furniture and Furnishings (Fire) (Safety) (Amendment) Regulations 1989 and 1993.

The Electrical Equipment (Safety) Regulations 1994, The General Produce Safety Regulations 1994, The Plugs and Sockets etc (Safety) Regulations 1994.

The Landlord is required to ensure the safety of 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.

We strongly recommend that a Portable Appliance Test is carried out prior to letting and then subsequently checked each year. Failing to make sure that the electrical equipment and appliances are safe is a criminal offence.

##### The Taxes Act 1988 and the Taxation of Income from the Land (Non Residents) Regulations 1995

The Landlord is responsible for notifying the Inland Revenue of the tenancy. If the Landlord of the property resides abroad, the Inland Revenue will hold the agent responsible for the payment of any Tax liability which arises on rents collected by the agent on the Landlord's behalf, unless an Approval Certificate is provided by the Inland Revenue pursuant to the Finance Act 1995. Accordingly, for a non-resident Landlord it will be necessary for Rumball Sedgwick to deduct monies at the appropriate rate and hold such an amount until either an Approval Certificate has been received or until these monies are forwarded to the Inland Revenue, which we are obliged to do on quarterly basis (an administration fee is chargeable). In this event we will not be liable for any refunds and you will have to liaise directly with the Inspector of Taxes directly. If the landlord at present lives within the UK but subsequently moves abroad, it will be necessary for us to commence this deduction from the time the Landlord leaves this country.

**Landlord and Tenant Act 1987**

If your address is outside England and Wales, then an address within England and Wales to which notices (including Notices in proceedings) may be served to you must be provided to the tenant and noted on the tenancy agreement. Unless otherwise instructed, if your address is outside England and Wales, we will use the address of Rumball Sedgwick. Although we will use our best endeavours to forward any notices to you, we will not accept liability for any loss or damage incurred either directly or indirectly from our actions in this respect.

**Property Mis-description Act 1991**

It is the Landlord(s) responsibility to check the website description of his/her property and notify Rumball Sedgwick of any amendments required. The Landlord(s) shall indemnify Rumball Sedgwick, its proprietors, directors, employees or agents, against any claim made in respect of the property or any mis-description herein that arises wholly or partially out of the act or by default of the Landlord(s).

**Landlord and Tenant Act 1985, Section 11**

It is the Landlord's responsibility to maintain the property in good and tenable repair throughout tenancies.

If either the Landlords Gas Safety Certificate, Energy Performance Certificate or Electrical Certificate is not provided to Rumball Sedgwick prior to the commencement of the Tenancy, or renewed to cover any extension of the Tenancy, then Rumball Sedgwick reserves the right to appoint a suitably qualified engineer to carry out the necessary test(s), make any remedial repairs, and provide the necessary certificate, the cost of which is the Landlords responsibility and will be deducted from monies collected on behalf of the Landlord.

***The Landlord, by the signing of this document, hereby agrees to the above Terms and Conditions and declares he/she is fully aware of the requirements of the above regulations and further declares that all furniture and effects comply with all the regulations. The Landlord undertakes to keep Rumball Sedgwick fully and effectively indemnified in respect of any claim, cost or prosecution that may arise due to the failure of the Landlord to comply fully with the terms of the above regulations.***

**Signed:**

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**Print Name(s):** .....

**Dated:** .....

**Related Property:** .....

**Agency Service:**     **Full Management**             **Let Only & Rent Collection**             **Let-Only**

**Agency Fee Percentage:**   

**Additional Information:**

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