

# ***Broomfield Estates - Terms & Conditions***

## ***Charges and advisory notes for Landlords***

### **INITIAL LETTING**

1. On finding a tenant who is accepted by you, or whom you have given us authority to accept on your behalf, and who completes the Tenancy Agreement, our commission will be charged as follows:

(a) **12% inclusive of VAT** (i.e. 10% + VAT) commission of the total rent reserved for the duration of the Tenancy Agreement – up to the first 12 months. This is taken from the first month's rent collected - if sufficient funds are available.

(b) For each renewal / extension of an existing tenancy after the first 12 months **9.6% inclusive of VAT** (i.e. 8% + VAT) commission is charged of the 'rent reserved' under the renewal agreement (whether or not negotiated by Broomfield Estates).

(c) The same rate will prevail for the remainder of the tenancy (whether or not negotiated by Broomfield Estates).

(d) These terms will apply, should our tenants recommend new tenants themselves for subsequent tenancies.

**All letting / renewal fees are subject to our minimum charge of £420.00 inclusive of VAT (£350 + VAT) per letting / renewal.**

2. In the event of any proposed tenancy being terminated pursuant to the landlord's instructions after the references for the tenants had been applied for, a fee of **£420.00 inclusive of VAT** (£350 + VAT) will be payable to Broomfield Estates by the landlord.

### **INITIAL LETTING SERVICE**

#### **1. INITIAL VISIT**

Our letting service will commence with an initial visit to view the property to agree a marketable rental value and to discuss the particular circumstances pertaining to the property and client including our fee structure as outlined below and above. Unless otherwise stated, rents quoted to a Tenant by us on your behalf are inclusive of ground rent and service charge. Utilities for gas, electricity, water, telephone, council tax, fuel oil or other, where independent systems exist, are not included.

#### **2. MARKETING**

Broomfield Estates provide a constant supply of applicants. Therefore, we will be able to inform a large number of prospective Tenants of your vacancy immediately. Furthermore, we will draw applicants through direct and indirect advertising.

#### **3. VIEWING**

As and when we have parties interested in viewing your property, we will either accompany these people to your property if we are in possession of a set of keys, or arrange for them to meet you at the property.

#### **4. REFERENCES**

Once a prospective occupant shows interest in your property and you approve them; we will take one week's rent as a holding deposit to confirm their interest and the property will be withdrawn from the market. Thereafter, we will employ the services of a referencing agency – such as **Paragon** - to start up referencing. Paragon Tenant Assessment offers a pre-screening service for property agents and Landlords to provide a clear financial and rental picture of a prospective tenant enabling you to make an informed decision. We have a similar system for students and Company lets. Paragon will also provide affordable Rent Guarantee and Legal Expenses cover if required; for the whole duration of the tenancy.

#### **5. INVENTORIES**

An inventory is needed in all cases to avoid difficulties arising from damage claims. If you decide to draft your own inventory, please ensure you list contents and condition of the property room by room and let us have a copy at our office before the moving-in date. Please ensure that all your appliance booklets\* are also mentioned in the inventory. Otherwise, we recommend that an independent inventory clerk prepares an inventory. We strongly recommend that Landlord's have an inventory prepared for both furnished and unfurnished premises as it can save costly litigation and disputes at the termination of the tenancy. Under the **Tenant Deposit Scheme** a Landlord will be unlikely to claim compensation for any loss or damage if there is no inventory. We cannot be held responsible for any loss suffered if there is no inventory. \*Appliance user manuals can be found and downloaded on the internet in pdf. format.

#### **6. TENANCY AGREEMENT**

The form of tenancy Broomfield Estates use is an Assured Shorthold Tenancy under the 1988 Housing Act (as amended by the Housing Act 1996), which is for a minimum term of six months. This agreement and relevant **notices** are available for inspection before the Tenancy commences. At your request we will be happy to include any additions your solicitor requests. Should you wish to use an agreement drafted by your own solicitor, please have a draft available for us before the tenancy is due to commence. The agreement can be made for a term of 6 or 12 months.

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### **7. DEPOSITS**

7.1 Except where otherwise provided in writing, the Agent shall hold the deposit in accordance with the provisions of the Tenancy Deposit Schemes' as set out in the Housing Act 2004. Such deposit shall be equivalent to one calendar month's rent (5 weeks maximum). The Agent will within 30 days of the signing of the Tenancy Agreement subscribe to one of the designated Tenancy Deposit Schemes. In our case the deposit will be held with **The Deposit Protection Service (the DPS)** and further information can be obtained from [www.depositprotection.com/](http://www.depositprotection.com/) tel 0330 303 0033.

7.2 After the determination of the Tenancy the Landlord shall use his best endeavours to agree with his tenant **what deductions** should be made if any; from the deposit and will in any event within 10 days of the termination of the Tenancy notify the Agent of what sums / issues remain in dispute.

7.3 The Agent will, as soon as reasonably practicable after such notification, refer the dispute to the Administrator of the Tenancy Deposit Scheme subscribed to, who will then determine matters in accordance with the provisions of that scheme. The Landlord agrees to provide such co-operation as is reasonably required to assist in such a referral and the determination of any dispute. The obligation does not in any way limit the Landlord's right to make an application to the County Court where appropriate.

7.4 Except with the consent of the Landlord's tenant or where there has been a determination made by the relevant Tenancy Deposit Scheme or by a Court of Law, the Landlord accepts that notwithstanding the terms of his Tenancy Agreement, no reductions will be made from the deposit and that he will not be entitled to claim interest thereon.

### **8. SERVICE OF NOTICE**

We will not under any circumstances serve a **Section 21 'notice requiring possession'** to the Tenant after the signing of the Tenancy Agreement and after renewals. Only a solicitor will be able to serve a **Section 21 notice** or any other. If you wish to break a contract after the first four months at least two months notice must be given. If the tenancy is periodic, at least two periods' notice must be given.

NB: Please note under the new Tenancy Deposit Schemes a Section 21 **notice will not be valid** if the Tenants deposit has not been safeguarded , EPC and Gas Certificate has not been provided or the prescribed information has not been given to the Tenant within 30 days of the Landlord / Agent receiving the deposit.

### **9. UTILITIES**

The ingoing tenant will be instructed by us to apply to the Water, Electricity, Gas and Telephone companies for a credit agreement, as well as registering for Council Tax. You should have the telephone disconnected and notify these utility companies of the impending name changes to cover yourself against any discrepancies in the future.

### **10. PROPERTY VISITS & REPAIRS**

10.1 We will if requested, provide property visits whilst the tenants are in occupation and forward a written report on the condition of the property, listing any problems that have arisen and the action which needs to be taken. These visits will be charged at **£120.00** inclusive of VAT (£100 + VAT) and **£60** inclusive of VAT (£50 + VAT) if verbal or unwritten per visit. NB: Please note we do not inspect attics, cellars and other excluded areas.

10.2 We will, if requested arrange for appropriate tradesman to effect necessary repairs and decoration to your property at a cost of 10% of total cost of repairs. We will however, not be responsible for any damages caused by the negligence or failure of tradesman who will have their own insurance in place.

### **11. LANDLORD'S REPRESENTATIVE**

We will only accept instructions from a Landlord's representative if we are provided with a certified copy of a legal **Power of Attorney** pertaining to the letting of any property owned by the Landlord.

## **GENERAL TERMS AND NOTES**

### **1. MORTGAGES**

Where the property is subject to a mortgage prior permission is normally required from the mortgagee to sublet the property. Obtain your mortgagees' permission to let (if required) in writing at the earliest date rather than applying for this when the tenant is found. The mortgagee may wish to see a copy of the Tenancy Agreement; if this is the case please inform us as soon as possible.

### **2. INSURANCES**

It is essential to make sure that the property and contents are adequately insured in the case of lettings. Please be advised that many policies do not allow cover on unfurnished / furnished lettings. Your policy will be void if your insurers are not aware the property is being let.

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### **3. TAXATION – OVERSEAS RESIDENTS**

Where the Landlord is overseas (outside England or Wales) you are still responsible for paying income tax, under Section 79 of the Taxes and Management Act 1970. Therefore; please ensure your Accountant or Solicitors or whoever is managing your property will act as your Tax Agents for tax matters arising from the letting of your property. **The Landlord must seek to register with the Inland Revenue for 'Self Assessment' as a non-resident landlord.**

### **4. LEGAL ACTION, RENT ARREARS AND BREACHES OF COVENANT**

The Landlord will be responsible for taking any legal action necessary for the recovery of any rent due or for court action for repossession of the property, including any other matters relating to the tenancy between the Landlord and their tenants.

### **5. INDEMNITY OF AGENTS**

5.1 The Landlord agrees to indemnify us as Agent against any costs, expenses or liabilities occurred or imposed on us whether criminal or civil, provided that they were incurred on his behalf in pursuit of our normal duties.

5.2 The Landlord undertakes to indemnify the Agency within 7 days of a demand for payment against the Agency for all claims, costs and expenses of whatever nature made against the Agency concerning the Landlord or the Landlord's property.

### **6. REPAIRS**

The Landlord agrees to maintain the property to a good standard of repair throughout the tenancy term whilst occupied by the tenants and to carry out all necessary repairs and maintenance as and when required as stated within the terms and conditions of the tenancy agreement.

### **7. AGENT'S TERMINATION**

The Agency reserves the right to give 30 days notice in writing to the Landlord to terminate this agreement stating the reason for doing so.

### **8. MAIL**

It is not part of our normal function to forward client's mail. Therefore, no responsibility can be taken for client's mail and it is recommended that it be redirected via the Post Office. Please note we will not forward any mail of the outgoing tenant especially.

### **9. SALE OF THE PROPERTY**

In the event that at any time a tenant or potential tenant who Broomfield Estates have introduced to the Property enters into a legally binding contract to purchase from you the Freehold or any Leasehold interest in the property, Broomfield Estates shall be entitled to a sales commission or remuneration of 1.8% inclusive of VAT (1.5% +VAT) of the price actually achieved; payable to Broomfield Estates upon completion.

### **10. PAYMENT OF COMMISSION OR REMUNERATION**

Should any or part of Broomfield Estates commission or remuneration remain unpaid for more than 14 days after the Completion Date, daily interest at a rate of 2.5% above Lloyds bank base rate will be charged to the Landlord or his representative to be due and payable to Broomfield Estates. If it should be necessary for legal proceedings to be instigated for the recovery of any commission or remuneration the Landlord will be responsible for any legal fees incurred by Broomfield Estates whether or not the matter reaches the Courts.

### **11. COMMISSION IS PAYABLE WHEN:**

1. An applicant introduced to the Property by us enters into a legally binding agreement to rent the above property or any property owned by you.
2. Where we are instrumental in negotiating the letting of your property.
3. On the extension or renewal of any tenancy arranged by us with:
  - (a) A tenant introduced by us.
  - (b) Any relative or friend of a tenant introduced by us.
  - (c) Any company who employs a tenant introduced by us.

### **12. SAFETY REGULATIONS**

**Gas Safety (Installation and Use) Regulations 1998** place duties on Landlords gas consumer installers and suppliers. All gas appliances including cookers, fires, boilers, water heaters and central heating systems must be both fitted professionally and regularly serviced by an installer registered with **Gas Safe**. **By law**, all landlords are responsible for making sure that appliances are maintained in good order and checked for safety at least every 12 months. Landlords are **legally obliged** to keep a record of the safety checks, and to **provide this report to the agent and tenant at the beginning of the tenancy**. Please note that a tenant may refuse entry to the premises if the Gas Safety Certificate is not provided. The Gas Safety Advice Line on 0800 300363 can offer further advice if required. **The Furniture and Furnishings Fire Safety Regulations 1988** (as amended in

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1989, 1993 & 2010). All beds, upholstery, upholstered furnishings, loose fittings and permanent or loose covers must be fireproof. Therefore, all furnishings must carry a label stating that they comply with the provisions of the Act or that even if they do not carry such a label the Landlord must ensure they comply nevertheless. Anything other than this will be illegal to supply.

**The Electrical Equipment (Safety) Regulations 1994** State that all electrical appliances supplied with let accommodation must be safe. This applies to both new and second-hand appliances and covers all electrical items supplied for the intended use of the Tenant. The regulations also cover fixed appliances such as cookers, showers and immersion heaters, which must also be safe. The only sure method of ensuring that these appliances are safe, is to have them tested by a trained competent person using the appropriate calibrated portable appliance testing equipment (PAT). **Failure to comply** with the Electrical Regulations may constitute a criminal offence under the Consumer Protection Act 1987 which carries a maximum penalty on summary conviction of a £5000 fine and/or 6 months imprisonment. NB: All appliances must have instruction booklets left at the property - make sure these are mentioned in your inventory.

**Legionella and Landlord's responsibilities** Legionnaires disease is a potentially fatal form of pneumonia caused by the inhalation of small droplets of contaminated water containing Legionella. Does a landlord need a Legionella risk assessment? At the start of the tenancy and throughout, the Landlord must take responsible steps to assess any risk from exposure to Legionella to ensure the safety of the Tenant in the Let Property. Health and Safety Executive (HSE) guidance can be read via this link <http://www.hse.gov.uk/legionnaires/legionella-landlords-responsibilities.htm>

### **13. DECLARATIONS / SIGNATURES & RIGHT TO CANCEL**

(i) The signing of this agreement means that the property will have vacant possession and will be available to let upon the Agent finding a tenant .

(ii) When this contract is signed by you the Landlord Client you have the right to cancel this contract within 14 days of signing. Marketing will not commence until the 14 days cancellation period is complete. If you wish for the contract to begin sooner or cancel during this "cooling off" period please confirm to us in writing via our email [info@broomfieldestates.com](mailto:info@broomfieldestates.com).