

TERMS AND CONDITIONS OF BUSINESS

When you appoint Fenners Lettings to let your home you can be sure that we will provide you with a personal and professional service aimed at finding you a trustworthy and reliable tenant. Fenners has historically provided landlords with high quality tenants from both the corporate and private sector. Our service is targeted at finding you, our client with the most suitable tenant as quickly as possible whilst ensuring that you receive your property's maximum rental value.

Consultation and Appraisal Service

We will initially visit your home and discuss all aspects of our letting service with you making you aware of what you need to provide to attract the best tenant and obtain the best possible rent. We will also advise you on the various Rent Acts in relation to your personal circumstances and the procedures involved in letting your home. We can also give you advice on any likely tax implications. These services are totally free of charge.

Letting Service

- Free valuation and property appraisal six days a week
- Proactive rather than reactive service
- Preparation of property details, colour pictures and internet page
- Email of your property to relocation companies, local companies and personnel managers
- Accompanying of all potential tenants
- Thorough vetting of prospective tenants
- Negotiating best possible terms for occupation and best possible rent
- Advising on inventories
- Preparation of tenancy agreements
- Complimentary Rent collection if required
- Advice on up to date legislation
- Rent Guarantee Options

Letting Service

1.1 References

We take up references on all prospective company and individual tenants and our fees include obtaining Bank, Employment, Previous Landlord and/or Character references. Should a Landlord require a Credit Reference Agency to obtain references any fees payable will be passed on to the Landlord. References are a guide to historical behaviour not a guarantee of future performance.

1.2 Tenancy Agreements

Unless we are instructed otherwise, we use our tenancy agreement in respect of all furnished or unfurnished lettings. Whilst our agreements are constantly reviewed we must make you aware that we are not solicitors and you should take appropriate independent advice on any legal technicalities. Landlords instructing their own solicitors to prepare Tenancy Agreements are responsible for the resulting fee. The relevant stamp duty will be administered, where applicable.

1.3 Deposits

It is the landlords responsibility to provide evidence of which 'Deposit Protection' scheme they are a member of. Fenners are members of the DPS. It is law for a landlord to be a member of a scheme. In the instance that a landlord fails to provide this information Fenners will transfer the deposit to the landlord, who must within 14 days deposit the monies in a government backed Deposit Protection account. The landlord must inform the tenant of the location of there deposit. Failure for a landlord to comply to these regulations is solely their responsibility. Fenners can not be held liable. All deposits held by Fenners on managed properties will be held with the DPS (Deposit Protection Scheme) www.depositprotection.com

1.4 Inventory

Where we do not manage, we are able to arrange the preparation of an inventory at a fee of £20 + VAT to organise an inventory and £20 + VAT to organise a check out. Fenners do not employ inventory clerks. Although landlords may be able to compile inventories, we would recommend that the services of an independent professional be utilised to avoid possible future disputes. The cost of the inventory clerk is not included in our commission and should this be undertaken we require prior payment of the inventory clerk's invoice. Whilst care will be taken in giving instructions to independent inventory clerks, we cannot accept liability for any error or omission on their part.

1.5 Rent Collection

Fenners offers a complimentary rent collection service (applicable only when appointed on our Standard Terms and Conditions). Invoicing and collection of rent will be in accordance with the terms of the tenancy agreement. Present banking arrangements are such that it is necessary for us to allow approximately eight (8) working days for rent cheques to be cleared before transferring monies to a client's account. Fenners makes rent payments to Landlords by AutoPay, whereby cleared funds are received in the Landlords account within 2 working days of receiving cleared funds in its Client Account.

1.6 Late Payment

In the event of late payment of rent by tenants Fenners will telephone the tenants within 3 working days to chase payment. Should the rental payment still remain outstanding Fenners will write to the tenants after 10-13 working days, 21-24 working days and 28-30 working days after the payment was originally due. Copies of these letters will be sent to the Landlord. In the event that rent has not been received within 31 working days it is the responsibility of the Landlord to take any further steps necessary to collect the outstanding rent. Fenners are unable to provide legal advice with respect to possession proceedings but will, if requested, attend court. Our fees for attending court are £150 per day or part thereof. Fenners accepts no responsibility or liability for any costs incurred by the Landlord in the event of late or non-payment of rent. Any charges incurred by Fenners will be recharged to the Landlord, where these charges are not recovered from the tenant.

1.7 Council Tax and Water Rates

The tenant will be responsible for the payment of the council tax or any replacement charge introduced in respect of the property together with the water rates. However, in the event of the property being vacant, the landlord will be liable to pay any local tax levied.

1.8 Sub Tenants

We are entitled to sub instruct or multi list your property to other selected Estate Agents or intermediaries at our discretion in instances where we consider this may assist in introducing a suitable tenant for your property. All viewings and negotiations will be co-ordinated through ourselves.

Full Management Service

We provide a comprehensive management service.

2.1 Outgoings

Where instructed by the landlord and as long as we hold funds to do so, we will pay ground rents, service charge, standard council tax, water rates, insurance premiums and any regular outgoings out of the rental income, as and when received. Although we shall do our best to query any obvious discrepancies, it will be understood that we are entitled to accept and pay, without question, demands and accounts that we believe to be in order. In particular, we do not accept responsibility for the adequacy of any insurance cover or for the verification of service/maintenance charge demands where applicable.

2.2 Repairs

If managed by Fenners we will attend to the day to day minor repairs and maintenance of the property and its contents. We require a float of £200 (subject to variation depending on the size of the property and on the bills, which may be due) at the commencement and during the term of the management to enable us to meet any expenditure prior to the next rent collection. We cannot undertake to meet any outgoings beyond the available funds held by ourselves. We can obtain estimates for consideration by the Landlord for any major repairs or maintenance over £200 and submit them prior to commencement of the works. However, in emergencies or when those works is an obligation under S11 Landlord and Tenant Act 1985 or is prejudicial to health or is something for which we could be prosecuted if the work is not done you will indemnify us against any costs incurred. Any professional or supervision fees incurred by Fenners or third parties in conjunction with the works must be borne by the Landlord. In the event that the Landlord requests Fenners to obtain quotations and/or supervise refurbishment works then a charge of £100 will be made for obtaining quotations and a further fee of 10% of costs of works for supervision.

2.3 Inspections

Where Fenners manage a property we will conduct quarterly inspection visits included in our full management service. We can also undertake, if requested, regular inspections of the property at a charge of £40 per visit. It must be understood that these inspections can only provide a superficial examination and are not intended to be a structural survey or inventory checks. Fenners cannot accept responsibility for hidden or latent defects.

2.4 The Gas Safety (Installation & Use) Regulations 1998

The landlord is fully responsible for making sure all gas installations are in good order. A valid Gas Safety certificate conducted by a CORGI registered engineer must be presented to Fennerg before the tenancy can commence.

2.5 The Fire & Furnishings (Fire) (Safety) Regulations 1998 - The Fire and Furnishings (Fire) (Safety) (Amendment Regulations) 1993

The landlord hereby warrants that he is fully aware of the terms and conditions of these Regulations and in signing this Agreement declares that all Furnishings presently in the property or to be included in the property together with all the Electrical installations and Electrical equipment in the property now or at anytime in the future fully comply with these Regulations. The Landlord undertakes to keep Fennerg fully and effectively indemnified against any claim, liability, demand, cost expense or prosecution which may arise by failure of the landlord to comply fully with the terms of these regulations.

3.1 Legal

This agreement shall be subject to English Law and the courts of England and Wales shall have exclusive jurisdiction over any action or proceedings in respect of this Agreement.

3.2 Contract

In the event of our letting the property on verbal instructions we will withhold the balance of any monies due to you until you have returned to us a copy of our Terms of Business duly signed and dated.

General Notes for Landlords

4.1 Fees - LETTING ONLY FEE

In the event of our introducing a tenant, or associated person, by one of our methods of marketing either by board, window or introduction who enters into an agreement to rent your property fees become payable to ourselves. Our fees will be 10% of the total gross rent payable plus VAT and is payable on the commencement of the tenancy and upon any extensions(s) or renewal(s) or where the tenant remains in occupation thereof whether or not negotiated by Fennerg.

In the event that we receive an offer that is accepted by yourself but you then withdraw the property from the market a fee of £200 will be payable.

Fees will be charged in respect of renewals, extensions or new agreements whether the original tenant remains in occupation or whether the incoming tenant is a person, company or other associated or connected party with the original tenant, either personally or by involvement in or connection with any company or other with whom the original tenants is or was involved or connected. Renewal fees are also payable where a tenant originally introduced by Fennerg enters into a new tenancy agreement at any time within 12 months of vacating the property. The fee chargeable will be 7.5% of the annual rent in the second year and 5% of the annual rent thereafter. These fees exclude rent collection which will be charged at 2%.

All fees are subject to VAT, which will be charged at the prevailing rate. A minimum fee of £500 plus VAT will be charged.

4.2 Fees - MANAGEMENT FEES

Our management fee is based on 15% of the rental payable in advance for the duration of the tenancy, (the minimum fee charged will be £50 + VAT per month). Where Fennerg is responsible for rent collection this fee can be payable on a monthly basis.

5.1 Taxation of Income from Land (non-residents) Regulations 1995 (Finance Act 1995)

Under the terms of this Act, where a Landlord is considered non-resident for tax purposes, he is still liable to pay United Kingdom income tax on rents arising in this country. Unless the Landlord can provide an 'Exemption Certificate' from the Inland Revenue, we are obliged by law to deduct tax at the prevailing base rate from net rents received and account to the Inland Revenue for these monies on a quarterly basis. Landlords are responsible for obtaining their own 'Exemption Certificate' and should note that the certificate is issued to the Agent and is not transferable. No interest is paid to the Landlord on tax deductions held by Fennerg.

5.2 Consents

Fennerg require that Landlords obtain all necessary permissions prior to a letting. This includes (where applicable): -

- a) Consent to let from your mortgagees
- b) If you are a lessee, you must confirm that your lease extends beyond the term you propose to let and that your own lessor's consent is obtained
- c) You must notify your insurance company if it is your intention to let and obtain their agreement to extend the insurance cover on the property and its contents to cover the changed circumstances
- d) If you are a joint owner, you must ensure that all other joint owners are named in the tenancy agreement and confirm that you are authorised to give instructions on their behalf

5.3 In cases where the property is not under Fenners full management, at our discretion a fee will be charged (the minimum fee being £35 per hour or part thereof), for attendance to any details outside our normal rental service.

5.4 In the event of the tenant, associate, occupant or licensee of the property entering into an agreement with the owner or landlord to purchase the property, a commission of 2% of the purchase price becomes payable by the vendor to Fenners Lettings, if at any time unconditional contracts for the sale of the property are exchanged subject to a minimum fee of £1,200.

5.5 Fenners Lettings & Property Management Ltd reserve the right to change at any time our schedule of fees and terms of business.

5.6 It is a term of the contract that Fenners carry out the above services with reasonable care and skill. However, we are unable to guarantee the suitability of the tenant, timely rental payments or vacant possession at the end of the tenancy and accordingly we do not accept liability should these or other such problems arise.

5.6 It is a term of the contract that Fenners carry out the above services with reasonable care and skill. However, we are unable to guarantee the suitability of the tenant, timely rental payments or vacant possession at the end of the tenancy and accordingly we do not accept liability should these or other such problems arise.

5.7 Fenners Lettings & Property Management are not responsible for any legal steps for the recovery of rent and/or possession of the property. Applications for market rent or appearances before any Court or Tribunal will be by special arrangement and will form the subject of an additional charge.

5.8 The landlord agrees to indemnify Fenners Lettings & Property Management as agents against any costs expenses or liabilities incurred or imposed on us provided that they were incurred on his behalf in pursuit of our normal duties.

5.9 VAT - All charges levied by ourselves, whether commissions fees or otherwise, are subject to the addition of VAT at the prevailing rate.

5.10 Interest – Fenners Lettings & Property Management fees become payable on demand, as and when they fall due. We reserve the right to charge interest on any amounts still outstanding twenty-eight (28) days after Fenners fees are first demanded. The prescribed rate of interest shall be 3% above the National Westminster Bank PLC base rate as at the date of the demand. In the event of this clause being invoked, interest will be charged from the date upon which the fees are first demanded.

Unless otherwise agreed in writing, the person(s) to whom the accompanying letter sent with these terms is addressed is responsible for payments together with the owner of the property (if difference, and in which event the addressee undertakes to make these terms and conditions known to the owner). Where more than one person is responsible for our fees the liability is joint and several.

Remittance of Completion Monies:

Fenners are unable to remit completion monies to Landlords until we are in receipt of:

- a) Signed Terms of Business
- b) A copy of the Tenancy Agreement signed by the Landlord or his/her authorised signatory/representative.
- c) A copy of a Valid Gas Safety Certificate
- d) A copy of a Valid Energy Performance Certificate



ACCEPTANCE OF TERMS AND CONDITIONS OF BUSINESS

I / We agree to the Terms of Business enclosed and authorise Fenners to act as Sole Agent / Multiple Agent in the 'Let Only' / 'Management' of my / our property.

Property Address: (The property)

Correspondence Address:

(please delete from below one of the options)

I / We confirm that I am the Sole/ Joint Freeholder(s)
 I / We confirm that I am the Sole/ Joint Leaseholder(s)

Yours Faithfully, Signed:

Full names of all Owners:

Bank/ Building Society:

 Address:

Tel:

 Mobile:

 Email:

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Effective: 10th April 2007

Name:

 Account No:

 Sort Code:
