



RESIDENTIAL LETTINGS AND MANAGEMENT

Commission Charges

Letting only service	10% + VAT
Renewals/Extensions	7% + VAT
Letting and Rent Collection service	12% + VAT
Renewals/Extensions	10% + VAT
Lettings & Management service	15% + VAT
Renewals/Extensions	12% + VAT

A. Letting Service

Upon receipt of the Landlord's instruction we will:

- (a) Market the property, erect a "To Let" board at the property, display pictures/details in our shop window, place your property on our website as well as Prime Location, Right Move and Find A Property and advertise as appropriate
- (b) Make arrangements for and accompany prospective Tenants to view the properties.
- (c) Report offers received and negotiate acceptable terms for the Tenancy between both parties.
- (d) Apply for references on the Tenant as appropriate. Where a credit referencing company is used, the cost will be borne by the Tenant. If we are unable to obtain references we will advise you of the fact and obtain your written consent to proceed.
- (e) Prepare or administer an appropriate and comprehensive Tenancy Agreement to be executed by both parties. If the Tenancy Agreement is not our document but the standard Agreement of the prospective Tenant we will forward it to you for approval. We advise that you seek legal advice upon the contents before proceeding.
- (f) Arrange for the creation of a professional Inventory and Schedule of Condition by an independent inventory firm and the checking of the inventory at both the commencement and termination of the Tenancy.

The cost of the inventory creation and check-out is payable by the Landlord. The cost of the check-in is normally payable by the Tenant. Should a tenancy not proceed for any reason, any inventory costs incurred must be met by the Landlord.

Please note that we do not employ inventory clerks and cannot be held responsible for any error or omission on the part of the independent inventory clerk unless it is due to our negligence or breach of contract.

- (g) Receive and hold the deposit, or Letter of Guarantee/Indemnity if accepted by the Landlord. The deposit is held by Thomson Currie as Stakeholder which means that we cannot make deductions from the deposit without the consent of both sides. If a Letter of Guarantee/Indemnity is accepted from a prospective Tenant instead of a deposit held as cleared funds you may have to take legal advice and action if there is a dispute concerning damage at the end of the Tenancy because Thomson Currie will not be holding any funds that can be used as compensation.
- (h) Negotiate the extension or renewal of the Tenancy including any mutually acceptable rent increase if required and agreed, and prepare the relevant documentation. Prepare the extension documents including drafting any amended or additional clauses agreed between the parties which vary the terms of the original Tenancy Agreement. Arrange for the extension documents to be signed by the start date of the new Term of the Tenancy and send the signed documents received by us to the relevant party. If a signed document is not returned to us we will inform you together with the legal choices available to you.
- (i) Forward the inventory checkout report to the Landlord and Tenant for action and costing.
- (j) Refund or apportion the deposit as agreed by both the Landlord and the Tenant, on agreement in writing from both the Landlord and Tenant.

Letting Service Fees

- (a) Our commission is 10% plus VAT of the gross rent and/or premium payable for the full term of the Tenancy as per the terms of the Tenancy Agreement.

This fee will be deducted from the first rental payment or payments at the commencement of the Tenancy.

A fee of 7% plus VAT is also payable for any extension or renewal of the Tenancy to the Tenant or the Occupier or any associated party, whether or not the extension or renewal is negotiated by Thomson Currie.

- (b) **Tenancy Agreement and Stamp Duty Land Tax**

- (i) Should the Tenant give notice to leave before the end of their Tenancy and provided that they are entitled to do so under the terms of their contract, we will refund an apportionment of our fees on a pro rata basis.
- (ii) No refund of any fees received in advance will be given should the Tenant cease to pay rent for whatever reason unless it is due to our negligence or breach of contract.
- (iii) Stamp Duty Land Tax is payable by the Tenant and not the Landlord. The threshold has been raised to £125,000.

B. Management Service

We will:

- (a) Notify the utility companies for electricity, gas and water services of the change of user at the commencement and termination of the Tenancy. The Landlord and Tenant must sign for the supplies with the utility companies. We cannot be held responsible for any disconnection unless it is due to our negligence or breach of contract. You should be aware that some utility suppliers will only accept instructions direct from the account holder. If this situation arises it will be your responsibility to arrange for the accounts to be transferred out of your name at the start of the Tenancy.
- (b) Notify the local Council Tax office of the change of occupier at the commencement and termination of the Tenancy.
- (c) Demand and receive rent on your behalf and forward this direct to your bank or as directed, less any necessary deductions. Please note the present UK banking system is such that it can take up to 10 working days to clear funds paid to us by standing order or cheque (and mandates) and transfer them to your account. Monthly statements are prepared and sent to our clients and we endeavour to transfer monies to our client's account on 20th of each month. You should arrange a facility with your bank to cover outgoings in case payment is made late or is not received.

Should your Tenant fall into rent arrears we will write to the Tenant with a rent demand letter. We will advise you as soon as possible of any outstanding rent. Any legal proceedings must be instituted by the Landlord and all costs are the responsibility of the Landlord. If rent is not paid on the due date Thomson Currie will not be held responsible unless it is due to our negligence or breach of contract.
- (d) Visit the property once every six months during the term of the Tenancy to ensure that the covenants in the Tenancy Agreement are being complied with and that the property is being kept in good order, and report to the Landlord accordingly. This is not a structural survey and we are only able to report on the apparent visual condition. We cannot accept any responsibility for hidden or latent defects or for failure to notice anything concealed from us. Should additional visits be required and requested by you in writing they will be charged at £60.00 plus VAT for each visit.
- (e) Remedy all defects, which come to our notice or are brought to our attention by the Tenant and deal with minor repairs up to a maximum cost of £300.
- (f) Obtain and submit an estimate to the Landlord, unless in the case of an emergency, for any necessary works which are liable to cost more than £300 (see Section E – Additional Fees).

- (g) Maintain a working cash balance of a minimum of £300 throughout the Tenancy to enable us to meet the minor expenditures and regular outgoings as they become due. A float of a minimum of £300 will therefore be required at the beginning of the Tenancy where the rent is collected monthly and a minimum of £500 for other periods. We hold the working cash balance in our client account but we do not calculate or credit you with any interest which may be earned on this money.
- (h) We reserve the right to carry out works in excess of the above sum if the works are necessary in an emergency, to enable you to comply with statutory obligations, or to protect the property from further damage.
- (i) Pay your outgoings and charges in respect of the property if so required, such as insurance premiums, rent, service or maintenance charges. Please note that we are only able to do so provided we are placed in funds and the Landlord has instructed the relevant authorities to forward demands to us for payment. The Landlord may of course prefer to arrange for these payments to be made by direct debit through his Bank. We are not liable for any loss, damage or deterioration to the property if we do not hold sufficient funds to pay a contractor to carry out repairs or maintenance unless it is due to our negligence or breach of contract.
- (j) Send to you regular detailed statements of account relating to all transactions undertaken on your behalf. These statements should be kept for reference purposes.
- (k) Lodge and progress any insurance claims on your behalf relating to the building or house contents insurance policy on the property if required, subject to the policies permitting a claim by someone other than the policyholder. An additional fee will apply. (see Section E – Additional Fees)
- (l) Arrange for the necessary inspections, and any resultant maintenance and repairs required under the Safety Regulations (see Section D – Legal Requirements). All contractors charges will be payable by the Landlord.
- (m) Make applications upon your written request to obtain any consent, which may be required from the freeholder, mortgage lender or insurer as applicable. Any charge levied by the authority for granting such consent will be charged to your account. An administration fee of £50.00 plus VAT will be made for obtaining consents. (see Section D – Legal Requirements)
- (n) Calculate the cost of remedying damage owed to you at the end of a Tenancy, advise the Tenant and organise for any repairs, replacement or compensation subject to the terms agreed under the Tenancy Deposit Scheme.
- (o) Ensure that the property is in a fit state of tidiness and cleanliness for new Tenants to take occupation. Where a Letter of Guarantee/Indemnity is accepted, we reserve the right to withhold the balance of the final month's rent due to the Landlord if required to pay for any works necessary to prepare the property for a new Tenancy.
- (p) Forward to you any post passed or forwarded to us or found by us at the property. A mail re-direction service must be put in place as we cannot be held responsible for regular collection of your post.
- (q) If you wish us to use a preferred contractor we will only instruct the person if they are readily available. Otherwise we will use one of our regular contractors.

2. Management Service Fee

Our commission is 5% plus VAT of the gross rent payable for the full term of the Tenancy as per the terms of the Tenancy Agreement. Please note that this fee is in addition to any letting fee charged.

Thereafter a fee of 12% plus VAT is payable for any extension or renewal of the Tenancy to the Tenant or the Occupier or any associated party whether or not the extension or renewal is negotiated by Thomson Currie for as long as we continue to manage the property.

This fee will be deducted from the rental payments at the commencement of the term of the Tenancy but should the rent not be paid for any reason you will be liable to us for this charge whilst the management continues.

The Management Service may be terminated by either party by serving 3 months written notice. The Letting commission shall, however, remain payable notwithstanding such termination.

C. Vacant Management

1. Our Management Service does not apply when the property is not let. There is no charge during any void periods between Tenancies and no responsibility can be accepted whilst properties are unoccupied. Inspection visits can be arranged by negotiation and there will be a small fee of £50 plus VAT.

D. Legal Requirements

1. Taxation/Overseas Landlords

In accordance with the Finance Act 1995, agents are required to deduct tax at the basic rate from rental monies net of expenses prior to paying these monies to overseas Landlords. The payments must be made to the Inland Revenue quarterly and at the end of the tax year. If there have been excess payments then Landlords can, on submission of detailed paperwork, apply to the Inland Revenue for a rebate.

However, under this Act the Inland Revenue introduced a system of Self Assessment and all overseas Landlords may apply to the Inland Revenue for Approval to be paid the rent without tax being deducted. If granted the agent is issued with an Approval Number for the Landlord, whereby they are allowed to pass the rental monies to the Landlord without deduction of tax. Should you move abroad whilst in the middle of a Tenancy you will need to notify us of your new details so that we can ascertain whether tax should be deducted from your rental income.

We would strongly recommend that you apply for Self Assessment and we can provide you with the appropriate application form. Further information can be obtained from the Inland Revenue website (www.hmrc.gov.uk). Thomson Currie's reference number is NA15000 which you will need to quote on your application form. If more than one person jointly owns a property, an application is required for each person.

Should you not wish to apply, or if you are refused Approval, and we are obliged to submit quarterly returns to the Inland Revenue, we will make a charge of £200 plus VAT per annum to cover our administration costs.

We always recommend that the services of a Chartered Accountant be used to ensure all allowable outgoings can be offset against tax. We are happy to recommend an Accountant.

By signing these Terms and Conditions you agree to compensate and reimburse Thomson Currie against all payments of tax, interest thereon, or penalties levied on or made by Thomson Currie and shall pay Thomson Currie any shortfall of such monies (if any) together with interest of 4% above the Bank of Scotland lending rate in force on a daily basis from the date of payment by Thomson Currie until reimbursement is made in full.

2. Safety Regulations

Landlord Statutory Obligations

The responsibility for compliance with the following regulations or any re-enactment, is and remains the personal obligation of the Landlord. Failure to comply with safety legislation is a criminal offence and can lead to prosecution, fines or imprisonment.

The Furniture and Furnishings (Fire) (Safety) Regulations 1988

The Furniture and Furnishings (Fire) (Safety) (Amendment) Regulations 1993

All upholstered furniture, permanent or loose fittings, beds, mattresses, padded headboards pillows and cushions supplied to a property and forming part of a letting must comply with these Regulations. Carpets and curtains are not covered by the Regulations. Furnishings manufactured pre 1st January 1950 are exempt from this legislation as toxic foam was not used in manufacture. However if the item has subsequently been re-upholstered then the filling must comply with the Regulations. Where there are no labels, contact the manufacturer or retailer for confirmation. If in doubt the items should be replaced. It is illegal to let a property with furniture, which does not comply with the Fire Resistance Regulation as in Regulation 14 of the 1988 Regulations.

By signing these Terms and Conditions of Business you guarantee to Thomson Currie that where appropriate all furniture and furnishings in the Property comply with the requirements of the Consumer Protection Act 1987 and all the statutory requirements made under it in particular the Furniture and Furnishings (Fire) (Safety) Regulations 1988 as amended by the Furniture and Furnishings (Fire) (Safety) (Amendment) Regulations 1993.

The Gas Safety (Installation and Use) Regulations 1998

Landlords are responsible for ensuring that appliances and pipework in tenanted premises are maintained in good order and in a safe condition so as to prevent risk or injury to any person. The regulations require that the installations appliances and pipework are checked for safety prior to the commencement of a tenancy and every 12 months thereafter by a CORGI qualified gas engineer. A record of the safety check must be supplied to the Tenant and a copy kept by the Landlord and/or the Managing Agent for at least two years.

In the event that the Landlord fails to provide a Gas Safety Record 5 days prior to the commencement of the Tenancy, Thomson Currie will instruct a CORGI engineer to attend the property and deduct the contractor's fee plus an administration charge of £50.00 plus VAT from the Landlord's first rental payment. (The administration fee will not apply for properties under our Management Service).

The Electrical Equipment (Safety) Regulations 1994

Landlords must ensure that ALL electrical appliances and the electrical supply are 'safe' and will not cause danger. From 1st January 1997, all new electrical appliances must carry a 'CE' mark and instruction booklets or clear working instructions must be provided. Newly installed plugs and sockets must also comply with the Regulations.

A Portable Appliance Test certificate and inspection must be undertaken prior to the commencement of a Tenancy and at regular intervals thereafter. We can arrange to do this for an administration fee of £50.00 plus VAT plus the contractor's charge. (The administration fee will not apply for properties under our Management Service).

The Building Regulations 1991 Smoke Alarms

All properties built since June 1992 must be fitted with mains-operated interlinked smoke detectors / alarms on each floor. Whilst properties built before that date are not included under the statutory requirement, we strongly recommend that all properties to be let are fitted with smoke alarms and these are regularly serviced. If the smoke alarm is battery operated it must be checked at the commencement of each Tenancy and the fact that it is in working order noted on the check-in of the Inventory.

We can arrange to do this for an administration fee of £50.00 plus VAT plus the contractor's charge. (The administration fee will not apply for properties under our Management Service).

Energy Performance Certificates

From 1st October 2008 all property placed on the market for rental purposes will require an Energy Performance Certificate.

Professional Energy Assessors are required to inspect rented property owned by Landlords and issue an EPC for private rented homes, Houses in Multiple Occupation (HMO's) and housing owned by RSL's (Registered Social Landlords). Property Lettings whereby the owner lets out their home to tenants will also require to obtain an EPC. A Landlord responsible for property lettings can apply for an EPC before this time. The cost of the Energy Performance Certificate must be paid by the Landlord or Property Owner. The Tenant does not bear the cost of the EPC, and can request to inspect the certificate prior to occupation, or during occupation of a tenancy agreement free of charge.

Energy Performance Certificates are required for all residential properties for construction, sale, or rent. The Energy Performance Certificate records how energy-efficient a property is and advises the owner how to make the home more energy efficient. The Certificate will provide a rating of the property from A to G. A is very efficient and G is very inefficient. The ratings will vary according to age, location, size and condition of the building. The potential rating on the certificate will take these factors into account, and the suggested measures will be tailored to what is realistic for the particular building.

3. Consents

Before entering into any agreement to let your property you must check whether there are any restrictions to your doing so and whether consent needs to be obtained from:

Superior Landlord/Freeholder. If you hold the property on a Lease you must ensure that your Lease permits you to let the premises and that you are granted consent to do so. You must also ensure that the letting is for a period expiring prior to the termination of your own Lease. If the Superior Landlord makes a charge for granting consent you will be responsible for payment. You should also provide us with a copy of the relevant sections of the Head Lease so that they are attached to the Tenancy Agreement. Failure to do so will mean that your tenant may not have to comply with some of your legal obligations under the Head Lease. This could cause problems if there is a breach of the Head Lease by the Tenant. Obligations cannot be enforced on the Tenant after the start of the Tenancy.

Mortgage Provider. If the property is subject to a bank loan or mortgage, in most cases permission will be required from the lender before the property can be let. Many corporate tenants insist on having a copy of the consent prior to taking up a tenancy. You should ensure you hold consent as failure to do so could delay a successful letting of your property.

Insurers. Most insurance policies require you to notify them if the property is to be let. Failure to do so may void the policy. You should hold both buildings (unless the Superior Landlord holds it) and contents insurance for the property. You must check that the policies include public liability cover. You should also provide us with copies of the relevant sections of your policies which include any obligations especially those relating to vacant properties so that they are imposed on the Tenant as part of the Tenancy. Obligations cannot be enforced on the Tenant if the Tenancy has commenced.

When you sign this contract with us you are confirming that you have the right to instruct us to let the property and that you have obtained the necessary consents. We cannot be held liable for any difficulties arising as a result of your failure to observe the above unless it is due to our negligence or breach of contract.

E. Additional Services and Fees

1. Interior Design/Refurbishment

We have extensive experience in dealing with both furnishing and refurbishment of properties. If we undertake to supervise these works on your behalf, a fee of 10% plus VAT of the total cost of the contract will be charged.

2. Major Works Supervision

Upon your acceptance of any estimates to remedy any defects or undertake repairs in excess of £500 and providing we are in funds, we would supervise the works for an additional fee of 10% plus VAT of the cost of the works.

3. Snagging of Newly Built Properties

Snagging of newly built properties and commissioning of systems are not within the normal range of our Management Services. If required a fee of £50.00 plus VAT per hour will be charged.

4. Additional Property Visits

If more frequent property visits are required for a property within our Management Service or a visit of a property not normally under our Management Service is required, a fee of £60.00 plus VAT per visit will be charged.

5. Insurance Claims

If required to lodge and progress an insurance claim relating to the building or house contents insurance policy on a property within our Management Service the following fee scale for each claim will apply: 10% plus VAT of value

6. Deposit Reconciliation

If we are required to assist, or we become involved in the negotiations at the end of a Tenancy between a Landlord and Tenant to reach agreement regarding any damage and charges for any breach of the Tenancy by the Tenant at a property not within our Management Service, a one off fee of £150.00 plus VAT per property will be charged and becomes payable by the Landlord as soon as negotiations commence.

7. Legal Action / Court Attendance

Any legal proceedings must be instigated by the Landlord and all costs are the responsibility of the Landlord.

Where we are required by a Landlord to seek legal advice, or liaise with solicitors, arbitrators or barristers or attend court on their behalf, a fee of £150.00 plus VAT per hour and disbursements will be charged to the Landlord.

8. Shopping

If we are required to make minor purchases on your behalf for the property a fee of 10% plus VAT of the price of the goods will be charged. Please note that the Tenants written consent will need to be sought if the fee is deducted from the tenant's share of the deposit.

9. House Sitting

In the event that a contractor not known to us (eg Gas or Electricity Board employee) is required to attend the property and the Tenant cannot be present, a person appointed by us will attend the property. Their time, including travelling time and travel costs, will be charged to you at £85.00 plus VAT per hour.

10. Sale Fees

If the Tenant or Occupier or any party associated to the Tenant or Occupier introduced to the property by Thomson Currie purchases the property before entering into a Tenancy, or during the term of the Tenancy or within one year of the termination of the Tenancy, commission on the sale price is payable at 2% plus VAT of the final purchase price, including any sums paid for furniture, fixtures and fittings, upon completion of the sale.

11. Abortive Transactions

Should you accept an offer either verbally or in writing and documents are drawn up and should you subsequently withdraw instructions to proceed with the tenancy, we reserve the right to charge you a fee of £200.00 plus VAT to cover administration costs. This charge will not be made if the decision to withdraw has been made as a direct result of Thomson Currie obtaining adverse tenant references or upon our recommendation.

12. Repossession

Section 21 of the Housing Act 1988 provides Landlords with rights of repossession at the expiration of a tenancy on a property let on an Assured Shorthold Tenancy provided you have given to the Tenant at least two months' notice stating that possession is required. Similarly two month's notice is required to gain possession of Ground 1 Assured Tenancies and Statutory Periodic Tenancies. It is therefore imperative that you give Thomson Currie at least two months notice of your intention to enable Thomson Currie to serve the Section 21 Notice on the Tenant.

F. General Conditions of Business

1. Money Laundering

We are required by law to comply with the Proceeds of Crime Act 2002 and the Money Laundering Regulations 2003.

In order for us to comply with the regulations we must satisfy ourselves of the identity of the owner of the property. Your solicitors, who must be regulated by the Law Society, can provide us with confirmation that they have undertaken the necessary verification. If you would like us to contact them, please confirm the name and address of the solicitor acting for you and the contact person.

Otherwise:

If the property is privately owned we require for a private owner or owners to provide us with one original Proof of Identity and one original Proof of Residence selected from the list below. You should either supply the original documents for copying or provide us with copies certified by a solicitor as genuine.

- (a) Proof of Identity: Full Passport or National Identity Card or New Style Driving Licence.
- (b) Proof of Residence: Current Council Tax Bill or Utility Bill or Mortgage Statement or Bank Statement or Credit Card Statement.

If a company owns a property we require:

- (a) Private Company Memorandum and Articles of Association Certificate of Incorporation or a set of the Latest Accounts or the last Annual Return
- (b) In addition: Proof of Identity and Residence of two of the Directors. See above.

(If the company is quoted on the London Stock Exchange, we will require a certified copy of the Certificate of Incorporation.)

2. Client Account

Please note that all income and expenditure, which we receive and make on your behalf, will pass through our client account.

3. Sale with the Benefit of the Tenancy

If you sell or pass on the title of the property during the term of a Tenancy arranged by us which will continue, our letting commission plus VAT will remain payable to us for however long the Tenancy lasts, including any further extensions or renewals. If this obligation is not passed to the purchaser as part of the sale contract or should the purchaser fail to pay our letting commission, you will be liable to pay it even though you no longer receive the rent.

4. Value Added Tax

All fees are subject to VAT at the appropriate rate.

5. Entitlement to Fees

We will retain our fees from monies received by virtue of this contract and shall be entitled to our fee if we let the property whether instructed verbally or in writing and whether or not our Confirmation of Landlord Instruction form has been returned to us signed.

6. Deposit

- (a) We will collect the Deposit from the Tenant at the commencement of the Tenancy and regardless of the service used by the Landlord hold the Deposit in a Stakeholder capacity. Any accrued interest will belong to Thomson Currie.

- (b) As Stakeholders we will not be in a position to release the deposit or any part of it to you or the Tenant without the other party's written consent. The Deposit or any balance will be paid to the Tenant or Landlord as appropriate at the end of the Tenancy.
- (c) Following the end of the Tenancy you are entitled, with the Tenant's written consent, to ask us to make deductions from the Deposit. The amount and reason for the deduction must be specified.
- (d) Provided both parties consent to the deductions, we will send you the amount agreed between the parties for damage, cleaning, unpaid bills, or unpaid rent and pay the balance if any to the tenant. If the amount of compensation exceeds the amount held as the deposit, you may require the tenant to pay the additional sum within 14 days of the Tenant receiving that demand in writing.
- (e) We are members of the Tenancy Deposit Scheme which is administered by:
- The Dispute Service Ltd
PO Box 541
Amersham
Bucks
HP6 6ZR
- telephone: 0845 226 7837
fax: 01494 431 123
email: deposits@tds.gb.com
- (f) Where the Tenancy is an Assured Shorthold Tenancy, all deposits held by us are subject to the Terms and Conditions of the Scheme. By signing this agreement you agree to abide by the regulations of the Scheme of which we are a member. Further information about the TDS can be obtained from the website www.tds.gb.com.
- (g) Where the Tenancy is a Common Law Tenancy, the deposit is held by us. However, should you wish to opt-out of the Scheme you will need to notify us of your decision.

At the end of the tenancy covered by the Tenancy Deposit Scheme

- (h) If there is no dispute we 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 according to the conditions of the Tenancy Agreement with the Landlord and the Tenant. Payment of the Deposit will be made within 10 working days of written consent from both parties.
- (i) If, after 10 working days following notification of a dispute to us 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 j below) be submitted to the ICE for adjudication. All parties agree to co-operate with any adjudication.
- (j) 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.
- (k) The statutory rights of either the Landlord or the Tenant to take legal action against the other party remain unaffected. 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.
- (l) 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.

- (m) 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.

Incorrect Information

- (n) If the Landlord warrants that all the information he has provided to us is correct to the best of his knowledge and belief, in the event that the Landlord provides incorrect information to us which causes us to suffer loss or causes legal proceedings to be taken, the Landlord agrees to reimburse and compensate us for all losses suffered.
- (o) If we have to prepare documentation in the form of photocopies or other relevant publishing material we will charge a fee of £70.00 plus VAT for this service.
- (p) If we have to attend court on your behalf as a witness we will charge a fee of £150 plus VAT per hour.
- (q) There are no costs for the actual adjudication process although any dispute that is submitted for arbitration will incur an administration charge of £200.00 plus VAT shared equally between the landlord and the tenant or such sum as may be determined from time to time by the ICE. The liability for any subsequent costs will be dependent upon the Award made by the arbitrator.

7. Licensing of Landlords

From 6 April 2006 local authorities will have the power to licence landlords within their jurisdiction. You may have heard or seen adverts regarding this new system. While authorities have the power to license all landlords many will not do so in the short term as they do not have the resources. This may change over time depending on each authority's policy decisions and their perception on housing needs and priorities. The best source of further information on this topic is the housing department of your local authority. Applicants for a licence will have to declare convictions relevant to their fitness to be a landlord and in particular convictions, drugs or sexual offences. Landlords with agents will need to do the same for the nominated manager of the property. Failure to do so is a criminal offence punishable by a fine. Licences may impose conditions regarding the management, use, number of occupants, and the condition of the premises. Breach of the licence conditions is punishable by a fine of up to £5,000 while failing to possess a licence for a property where one is required is punishable by a fine not exceeding £20,000. Landlords in this position may be liable to return rent already paid to their tenants or to the Local Authority if they have paid Housing Benefit, they will also be able to gain possession of the property if the tenant is in breach of the tenancy agreement. Decisions not to grant a licence can be appealed through the Residential Property Tribunal Service (www.rpts.gov.uk). Further information on landlord licensing can be found at www.propertylicence.gov.uk.

Houses in Multiple Occupation (HMO's)

The Act defines exactly what is meant by an HMO for the first time. An HMO is any property that is occupied by individuals living in more than one household. A household is anyone living as a cohabiting couple or individuals of the same family. Nannies, Au Pairs and other household staff living with their employers are considered part of the same household. Licensing is compulsory for an HMO with:

- Three or more stories; and
- Five or more occupiers living in two or more households

Basements and attics that are primarily in use as living accommodation must be counted as a storey. For the purpose of this calculation if domestic premises are situated above commercial premises then the commercial premises counts as one storey. This means that a two floor maisonette with a shop underneath comprises three stories for the purpose of deciding whether or not it needs to be Licensed. Local Authorities may also choose to licence other types or premises however they are unlikely to do so in the short-term. There are minimum standards that will have to be met with regard to kitchen and sanitary facilities in order for a landlord to gain a licence.

8. Confirmation of Instruction

In the event of our letting the property on verbal instructions we reserve the right to withhold the balance of rental monies due to you until such time as you return to us signed, the attached Confirmation of Landlord Instruction form.

9. Exclusion of Liability

We are not liable for any rent, or non-payment or any other of the Tenant's and/or Occupiers liabilities nor if there are insufficient funds available for any outgoings payable on your behalf unless it is due to our negligence or breach of contract.

10. Fair Contract Terms

Under the Unfair Terms in Consumer Contracts Regulations 1999 we are legally required to ensure that our standard terms are fully understood and acceptable. 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 Confirmation of Landlord Instruction form it is assumed that you are accepting our terms and accept that they are reasonable. No variation to these terms will be effective unless agreed in writing.

11. Data Protection Act 1998

We take all reasonable care to prevent any unauthorised access to or use of your personal data. The staff of Thomson Currie and our contractors have a legal responsibility to keep your information confidential. It will only be used under the following circumstances:

- our fees due under this Agreement are not paid and we instruct a debt collection agency; or
- we are required to do so by law; or
- when instructing solicitors; or
- to change account details for utility suppliers and council tax; or
- when a contractor's invoice has not been settled by you;
- or in response to a valid request by a law enforcement or governmental agency.

12. Service of Notices

The provisions for the service of notices are that if the Landlord serves any Notices or documents on us by hand which are necessary under the Tenancy Agreement, or any Act of Parliament to the address of Thomson Currie by 5pm the documents or Notices will be deemed delivered on the next working day; or if the documents or Notices are sent by ordinary first class post addressed to Thomson Currie at their address the documents or Notices will be deemed delivered two working days later. A working day excludes Saturdays, Sundays and Bank Holidays.

If we serve any Notices or documents on you by hand which are necessary under the Tenancy Agreement, or any Act of Parliament to the address of the landlord by 5pm the documents or Notices will be deemed delivered on the next working day; or if the documents or Notices are sent by ordinary first class post addressed to you at your address the documents or Notices will be deemed delivered two working days later. A working day excludes Saturdays, Sundays and Bank Holidays.

13. Acts of Third Parties

We will not be responsible for any loss or damage that you suffer through the act, default or negligence of any third party which may arise other than through the negligence, omission or failure on the part of Thomson Currie.

14. Proper Law and Jurisdiction

These Terms and Conditions shall be governed by and construed in accordance with the law of England and Wales.

15. Joint and Several

If the Landlord is more than one person then each person will be liable for all commission costs and expenses due to Thomson Currie.

16. Complaints Procedure

Thomson Currie are members of the Ombudsman for Estate Agents (OEA) Scheme which provides a free, fair and independent service for dealing with unresolved disputes between Member Agents and tenants and landlords

If you wish to make a complaint against Thomson Currie we would ask that you put your complaint, in writing, addressed to the Managing Partner to comply with our internal complaints procedure. We will inform you of our decision and trust that we will be able to resolve any disputes satisfactorily. If you are still dissatisfied with our decision we will supply you with details for the OEA so that you may contact them directly.

Definitions

"The Landlord" "you" or "your"

Any one or more individuals or corporate entities that has the legal right as Freeholder or Leaseholder to let the property.

"The Tenant"

Any one or more individuals or corporate entities named as Tenant in the Tenancy Agreement.

"Thomson Currie" "we" and "our"

Is Thomson Currie of 313 Upper Street, Islington, London, N1 2XQ.

"The Tenancy Agreement"

The written contract between the Landlord and the Tenant setting out the terms of the Tenancy including rent.

"The Tenancy"

The full period during which the Tenant rents the property from the Landlord including any subsequent extensions or renewals.

"The Term"

The length of the letting and any subsequent letting.

"Rent"

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, water and council tax except where otherwise specified.

"The Deposit"

The sum of money lodged with Thomson Currie by the Tenant at the start of the Tenancy to cover any damage or loss incurred during the Tenancy.

"Commission"

The remuneration payable to the Letting Agent for letting and, if applicable, managing the property.

"AST"

An Assured Shorthold Tenancy under the Housing Act 1988.

"Premises and Property"

Any part or parts of the Premises and where it comprises a Flat there shall be deemed to be included in this Tenancy Agreement all rights easements and facilities to which the Landlord is entitled under the terms of his Lease and this Tenancy Agreement shall be subject to all exceptions and reservations contained in the Lease.

"Stakeholder"

Deductions can only be made by Thomson Currie from the Deposit at the end of the Tenancy with the written consent of both parties.

"ICE"

Means the Independent Case Examiner of The Dispute Service Limited.

"TDS"

Means the Dispute Service whose details are shown in the Tenancy Agreement.

I/We have read and accept these Terms and Conditions of Business and I/We have completed and signed Thomson Currie's Confirmation of Landlord Instruction form.

.....

Confirmation of Landlord Instruction

Please complete this form and return to Thomson Currie to confirm your instructions.

Re (address of property)
 (If you own more than one property, these Terms and Conditions of Business will apply to all of those properties)

I/We Full names of the registered owner/s)
 confirm agreement of these terms and conditions and instruct Thomson Currie to undertake the following services:

(mark as applicable) Letting Service 10% + VAT Letting & Rent Collection 12% + VAT Letting & Management Service 15% + VAT

I/We confirm the following:

I/We are the legal owners/have authority to act on behalf of the legal owners and have notified all interested parties of our intention to let the above property.

All furniture and furnishings in the property and included in the letting fully comply with the requirements of The Furniture and Furnishings (Fire) (Safety) Regulations 1988 and The Furniture and Furnishings (Fire) (Safety) (Amendment) Regulations 1993.

All gas appliances or installation pipework in the premises fully comply with the requirements of the Gas Safety (Installation and Use) Regulations 1998.

All electrical installations and appliances in the premises fully comply with the requirements of The Electrical Equipment (Safety) Regulations 1994.

To compensate and reimburse Thomson Currie in respect of all proceedings, claims, losses, costs and expenses, which they may suffer or incur as a result of any breach of the Terms of Business.

That I/we are not aware of any major building work, development, maintenance or repairs being carried out to the Premises the building of which the Premises form part or to any adjoining property apart from as noted below.

.....

Signed Date

Address for correspondence

.....

..... Postcode

Tel No: Home..... Work

Fax..... Mobile.....

Email

Full address of property to be let:

..... Postcode

Tel No. in Property

Will you be resident in the UK for tax purposes during the letting period Yes No

Bank Details
 (for rent payments)

.....

Account Name

Account No Sort Code.....

If the Management Service is not required please provide the name and address of contact who will assume responsibility for management. If Thomson Currie is not managing it is your responsibility to give details of all guarantees and maintenance contracts to the Tenant.

Name

Address

..... Postcode

Tel No: (day (evening)

(mobile/s)

If Management is required please provide the following details;-

Accountant/Tax Advisor

.....

Tel: E-mail

Management Agents/Freeholder of property

..... Tel:

Building Insurance Details

.....

Tel Policy No

Contents Insurance Details

Tel:..... Policy No

Utilities

Electricity Provider Gas Provider Water Provider

Account No Account No Account No.....

Location of meter Location of meter Location of stopcock

Local Authority Council tax Account No

Guarantees

Appliance..... Policy/Guarantee No

Appliance..... Policy/Guarantee No

Preferred Contractor.....

Name Telephone No

Summary of Fees

- Letting Service - 10% of the rent and/or 10% of the premium
- Short Lets - 20% of the rent
- Management Service - 5% of the rent
- Accounting Service - £200.00 pa
- Interior Design/Refurbishment - 10% plus VAT of costs
- Major Works Supervision - 10% plus VAT of works
- Snagging of New Property - £50 plus VAT per hour
- Vacant property inspections £50 plus VAT
- Additional Property Visits - £60 plus VAT per visit
- Insurance Claims - 10% plus VAT
- Deposit Reconciliation – (non-managed) £150 plus VAT
- Legal Action/Court Attendance - £150 plus VAT per hour
- Shopping - 10% plus VAT of costs
- House Sitting - £85 plus VAT per hour
- Sale to Tenant - 2% plus VAT of sale price

020 7354 5224

313 Upper Street
Islington N1 2XQ
islington@thomsoncurrie.co.uk
fax: 020 7359 5606

thomsoncurrie.co.uk