Grants Residential Lettings Limited

TERMS OF BUSINESS

Owner (s) _____

Property to be let _____

Owner (s) Address _____

I/We hereby appoint Grants Residential Lettings Ltd to act as ☐ **Sole Agent** **or** ☐ **Multiple Agent** (check one box) in the Introduction Only Service of the above property.

To seek a rent of _____ per month. The first month's rent will be collected on your behalf by Grants Residential Lettings Ltd, and we will deduct our agreed fee of _____ % plus VAT from the rent and invoice you for any balance remaining. The fee will be due on an annual basis for the duration of the tenant's occupation as outlined overleaf.

If your property is let at _____ per month, your fee will be _____ plus VAT.

I/We have read and accept the Terms & Conditions set out overleaf and require that the property be let from _____

- I/We acknowledge that if the property is subject to a lease or mortgage, it is my/our responsibility to obtain permission from the landlord or mortgage provider to let the property.
- I/We also agree to provide Grants Residential Lettings Limited proof of ownership of the property that is to be let.
- I/We acknowledge that Grants Residential Lettings Ltd has made me aware of all my legal obligations regarding the electrical safety regulations, gas safety certificate,
- I/We acknowledge that an energy performance certificate is in place prior to marketing and that all furniture complies with current fire regulations.
- I/We will notify my/our insurance company of the intention to let the property and will maintain the insurance and obtain any additional insurance
- that might be needed.
- I/We agree that Grants Residential Lettings Ltd will create the relevant tenancy contract at a cost of £210, administer the tenants security deposit and sign the prescribed information on my/our behalf at a cost of £50. Should the tenancy require a guarantor, we will charge you an additional £50 inclusive of VAT to reference the Guarantor and draw up the Deed of Guarantee.
- I/We understand that where possible a To Let will be erected to assist in advertising the property.
- I/We instruct that Grants Residential Lettings Ltd pays the net monthly rental direct to the account details below (if applicable).
- I/We agree that no alterations to these Terms and Conditions will be accepted unless agreed in writing by Grants Residential Lettings Limited.
- I/We acknowledge that all clients' monies are held at Barclays Bank, 71 High Street, Staines, Middlesex, TW16 4PS in our Client Account.
- I/We agree that all the information I have provided to Grants Residential Lettings Limited is true.
- Account name Grants Residential Lettings Ltd Account number 60183741 Sort code 20-81-74.
- You have a right to cancel this instruction within 14 days.

Signed

Bank/Building Society _____

Account number _____

Bank/Building Society address _____

Sort Code _____

1. DEFINITIONS

a. "Grants Residential Lettings Ltd "/"the agent"/"we"/"us"- the agent hereby instructed by you.
b. "you"/"the landlord"- the person(s) named overleaf and any successors in title being the owner(s) of the property.
c. "the property"- the property referred to overleaf or any part of it including any garage, outbuildings, fixtures, fittings and those appliances and items of furniture listed in the inventory but excluding any common parts or excluded parts.
d. "tenant"- any tenant or tenants occupying the property. If the tenant is a company it shall include any subsidiary or parent company.
e. "tenancy"- the tenancy granted to the tenant including any initial agreement or any extension, subsequent agreement, renewal holding over or any statutory periodic tenancy to which the tenant is or may become entitled.
f. "rent"- any payment made by the tenant or anyone on behalf of the pursuant to the tenancy and for use of the property.
g. "commission"- the commission or fees as detailed in clause 5.
h. "terms of business" means the introductory section, this document, fee schedule which forms the contract between the Landlord and the Agent.
i. "inventory" means the written record of the contents and schedule of condition of the property.

2. PAYMENT OF COMMISSION

a. In the event that Grants Residential Lettings Ltd introduces a tenant who enters into occupation of the property, the commission shall become payable to Grants Residential Lettings Ltd for the entire duration of the tenant's occupation under the Tenancy.
b. The commission is calculated as a percentage of the rent for the entire period during which the tenant introduced by Grants remains in occupation of the property. The scale of commission changes is as set out below in clause 5.
c. Where there is more than one tenant introduced by Grants Residential Lettings Ltd the commission will be payable for any period that any of the tenants remains in occupation.
d. Where a tenant introduced by Grants Residential Lettings Ltd is replaced as tenant (whether or not under a formal tenancy agreement) by his/her nominee the commission will remain payable for as long the new tenant shall remain in occupation of the property.

3. INTRODUCTION ONLY SERVICE

Grants Independent Lettings Limited will carry out and/or organise the following:

a. Carry out an inspection of the property to advise you on the decorative conditions, furnishings, expected level of rent and any steps you may need to take to comply with all relevant safety regulations or other legal requirements.
b. Market the property as necessary by advertising, mailing out, photographs, particulars, internet advertising and erecting a 'To Let' board outside your property.
c. Apply for the references to taken up on all prospective tenants.
d. Draw up the tenancy agreement which has been compiled by our solicitor. We will always use this agreement unless instructed otherwise or when a Corporate tenant requires the use of their own agreement. We will negotiate the terms of the contract on your behalf. If you choose to use your own agreement, you will be charged an additional fee of £50 + VAT (£60 inclusive of VAT) for it to be checked over by our legal experts.
e. Arrange for (at your request and at an additional fixed cost to you) an inventory and professional check in/out relating to the letting of the property of the furniture, furnishings, fixtures and fittings and a copy to you.
f. At your request organise for an initial gas check (at a fixed cost to you) prior to the beginning of the tenancy. However as a valid gas safety certificate is required for the duration of the tenant's occupancy and as Grants is not instructed to manage the property, you will arrange to have all subsequent annual gas checks carried out and indemnify Grants against the consequences of not doing so.
g. Acting on your instruction to negotiate the terms and sign an appropriate tenancy agreement on your behalf.
h. We will receive the first month's rent from your tenant and prepare a statement for you. We will invoice you for any outstanding amount and this invoice needs to be paid within 14 days of the date of the invoice.
i. Receive the security deposit in accordance with the Housing Act 2004.

4. COMMISSIONS AND CHARGES

a. The commission for Sole Agent Introduction Only is 8% plus VAT (9.6% inclusive of VAT). This is subject to a minimum fee of £500 + VAT (£600 inclusive of VAT).
b. You hereby undertake not to instruct any other agent during the term of this agreement.
c. Sole letting terms. The commission will be due to Grants Residential Lettings Ltd if at any time a Tenant takes occupation of the property who has been directly or indirectly introduced by Grants Residential Lettings Ltd during the period of our agency agreement or (b) with whom Grants Residential Lettings Ltd has had negotiations about the property during the period or (c) who has been introduced by other agents during the period of our Sole Agency agreement or its termination period.
d. Sole Agency marketing period. Our appointment as Sole Agent is for a minimum period of 12 weeks from the date overleaf. Termination must be in writing with 14 days notice.
e. Multi agency. The commission is 10% plus VAT of the annual rent (12% inclusive of VAT). This is subject to a minimum fee of £500 + VAT (£600 inclusive of VAT).
f. Multi Agency terms. The commission will be due to Grants Residential Lettings Ltd if at any time a tenant takes occupation of the property (a) who has been introduced by Grants Residential Lettings Ltd (b) with whom Grants Residential Lettings Ltd has had negotiations about the property.
g. Where the full term of the tenancy is less than six months, our commission is 15% plus VAT (18% inclusive of VAT) of the gross rent payable for the full term, subject to a minimum fee of £500 plus VAT (£600 inclusive of VAT).
h. Grants Residential Lettings Ltd reserve the right to charge a nominal withdrawal commission of £500 inclusive of VAT if you withdraw the property from the market within the contract period or if any offer is made to you by a potential tenant of the required rent and you decline that offer.

5. ADDITIONAL CHARGES

a. Grants Residential Lettings Ltd requires one set of keys for each tenant moving into the property prior to the commencement of the tenancy and will have duplicates cut at your expense if these are not provided by you.
b. Grants Residential Lettings Ltd can arrange for furnishing and/or refurbishment and will require a payment of an administration commission of 120% inclusive of vat of the total cost of work.
c. A fee of £180 inclusive of vat will be charged for tenancy renewal administration.
d. A fee of £75 inclusive of vat will be charged for servicing notice to a tenant at the end of the tenancy agreement.

e. Should we need to go and get additional sets of keys cut, there will be a charge of £10 inclusive of VAT on top of what the keys cost. This will be deducted from the monies we collect.
f. If you require us to carry out a visit to your property during the tenancy and your property is not managed by us, a fee of £125 plus VAT (£150 inclusive of VAT) per visit will be charged.
g. If you require us to arrange safety checks for a property and it is not managed, we are able to do this and will charge an administration fee of £50 (inclusive of VAT) on top of the cost of the certificate.
h. Should you wish us to serve any legal notice on your tenant either during the tenancy or to terminate the tenancy; a fee of £75 inclusive of vat will be charged.
i. You are responsible for the cost of preparing a professional inventory and check in at the start of the tenancy and check out at the end of the tenancy.
j. If you require us to become involved in the negotiations between the Landlord and Tenant to reach agreement regarding the deposit release at the end of the tenancy, we will charge an administration fee of £50 plus VAT (£60 inclusive of VAT) per hour or part hour and this will be subject to a minimum fee of £200 plus VAT (£240 inclusive of VAT).
k. All other charges are due and payable when incurred and Grants Residential Lettings Ltd reserve the right to withhold any part of the rent to meet these costs and/or discharge them from any sum held by us on your behalf.
l. You remain responsible for all commission and charges irrespective of whether the tenant pays the rent. In the event of an early termination of the tenancy (before the end of the fixed period) the commissions shall become payable by you to Grants Residential Lettings Ltd immediately.
m. This letter confirms our terms of business and by signing it you confirm that you accept these terms. In the event that you do not sign these terms but instruct us to start marketing the property and/or you accept viewings of the property by any prospective tenant you will bound by all of these terms.

6. TAX NON-RESIDENT LANDLORDS

a. The income you receive from letting the property may be subject to Income Tax even if you are a resident abroad. Your tax affairs relating to the property are your own responsibility.
b. If you are deemed for tax purposes to be resident overseas, Grants Residential Lettings Ltd may under current tax legislation become liable if you default on the payment of any relevant tax. Where it seems to us that this is likely Grants Residential Lettings Ltd will retain an amount sufficient to meet our estimate of any such tax liability from the rent and you will indemnity us and keep us indemnified against all costs, claims, proceedings and legal costs or other expenses arising out of or in connection with any such tax (including any penalties or interest payable on it) to which Grants Residential Lettings Ltd is liable.
c. If you are resident overseas and fail to apply for Exemption or you are refused Exemption and we are obliged to submit quarterly returns to HM Revenue and Customs, we will make a charge of £25 plus VAT (£30 inclusive of VAT) per quarterly returns and a further £100 plus VAT (£120 inclusive of VAT) per annum for yearend submission.

7. MARKETING AND SALE OF PROPERTY

In the event that you wish to sell the property, either to the tenant or to a third party during the tenancy, you agree to instruct Grants Independent Limited on a sole agency basis for a minimum period of 8 weeks. A commission of 1.5% plus vat (1.8% inclusive of vat) of the sale price will be payable to Grants Independent Ltd at the completion of the sale.

8. GENERAL

Grants Residential Lettings Ltd will endeavour to provide a high quality service but will accept no responsibility for any loss or damage to you as a result of:

- Any delay, failure or overpayment by us in relation to the settlement of your accounts relating to the property or any failure in carrying out any inspection of the property to notice any latent defects or matters concealed from our representative or b.Any failure on the part of the tenant to observe the terms of the tenancy agreement or comply with any obligation imposed by statute or
- Any defective workmanship or problems associated with contractors instructed to do work on your behalf.
- Any failure by you to comply with all relevant legislations safety or other regulations or
- Any failure to maintain adequate insurance cover.
- By signing these terms I acknowledge that Grants Residential Lettings Ltd has made me aware of my responsibility to adhere to HMO (Houses in Multiple Occupancy) license regulations and will need to check for a compliance with their local authority as each authority has varying guidelines. Where we are managing a property we are only managing the individual unit and as such have no liability for communal parts of the building as a whole or any liability in relation to HMO legislation. This liability lies solely with the landlord.
- We are a member of The Property Ombudsman. www.tpos.co.uk.

9. DEPOSITS

a. For all non Assured Shorthold Tenancies Grants Residential Lettings Ltd will retain the deposit in line with the tenancy agreement as stakeholder.
b. For all Assured Shorthold Tenancies the deposit will be held in accordance with the Housing Act 2004 and under the terms of The Deposit Protection Services (DPS). www.depositprotection.com.
c. If you wish to handle the deposit yourself, Grants Residential Lettings Limited will transfer it over to you within 7 days of receiving confirmation that you have registered with alternative Tenancy Deposit Protection Scheme. We will require your confirmation of this which includes your registered ID number of your chosen scheme.
d. We will require your ID number as confirmation of your registered scheme.
e. No interest will be payable on the deposit during the tenancy.

10. STAMP DUTY LAND TAX

Where applicable, the sole responsibility for the payment of Stamp Duty Land Tax, which was introduced under the Finance Act 2003, is placed upon the Tenant. We will advise the Tenant accordingly.

11. DATA PROTECTION ACT 1988

Information supplied by the client will be held by the Agent in accordance with Data Protection Act 1988. This information may be used or shared with utility providers, local authorities, legal advisers, HMRC, any person investigating a crime and other interested third party or elected specialist service providers in relation to the letting of Property. The client acknowledges that Data may be held outside of the European Union.