

## TERMS AND CONDITIONS FOR LETTING AND MANAGEMENT

Property Address: 50 Aurora Apartments, 10 Buckhold Road, London, SW18 4FW

### 1. Letting only Service – 8%

Realm Estates will visit your property to discuss and advise on all aspects of Lettings

When an acceptable Tenant is found we will apply for references via an external referencing company Let Alliance (£20.99 per tenant, cost borne by the Landlord) and on receipt of a good classification we will draw up a Tenancy Agreement. Realm Estates can take no responsibility whatsoever in relation to the use of the Tenancy Agreement in any particular case and you should rely entirely on your own legal advice in that connection. For a Tenant who is acceptable to you our fee is 8% plus VAT of the rent agreed for the period of the Tenancy. Fees are payable in advance and are taken from the first month's rent, and invoiced on renewals. Should a Landlord agree to the Tenant breaking their contract during a fixed term, fees will not be refunded to the Landlord, however should the Tenant break the lease using a break clause agreed and fees have been paid for that period, Realm Estates will refund the landlord their overpaid fees.

A **deposit** of five weeks' rent will be taken prior to the start of the tenancy and where we do not manage the property the Landlord will be responsible for registering the deposit with an approved government scheme. From April 6th 2007, all deposits paid under an AST should be protected within 31 calendar days of receipt. (Please ask for details of recommended Tenancy Deposit Schemes).

The first month's rent will also be received prior to the start of the Tenancy with the Tenant paying by standing order mandate direct to the Landlord's chosen bank account monthly thereafter. For copies of any annual copies requested, there will be a charge of £50 + VAT. If Managed, rent is payable to Realm Estates' London Limited Bank account.

Realm Estates will arrange for an Inventory and schedule of condition of the property by an independent Inventory Clerk who will read the meters and check the Tenants in. The cost of this and the cost of the check-out is the Landlord's responsibility.

It is the responsibility of the Tenant and the Landlord to arrange with the utility companies for the transference of bills to the appropriate user.

### 2. Rent Collection- 2% plus VAT

In addition to the **Letting service** above we will also provide a service by which we will.

1. Collect the rent on a monthly basis in to Realm Estates' London Limited Bank account
2. Issue a monthly statement when the rent has cleared
3. Be responsible for chasing any rent payable if applicable and issuing relevant notices on the Landlord's behalf if required.

### 3. Management Service - 6% plus VAT

In addition to the **Lettings and Rent Collection** service above we will also provide a comprehensive day to day management service as described below.

1. Realm Estates will collect the rent and settle any bills payable by the Landlord (excluding insurance premiums) out of the rental income as and when received. For full management, Realm Estates charge an extra 6% plus VAT for the term (in addition to the Letting only service) of the lease including any renewals. A monthly statement will be sent to you when the rent has cleared, with our management fee and any maintenance invoices having been deducted. Copies of contractors' invoices will be enclosed. Please note that refurbishment works are not deemed as part of the day to day management service. There will be a charge of £150 per day on top of any works quoted in excess of £3000 to oversee.
2. Realm Estates will arrange for day to day repairs and maintenance to be paid out of rental income of a maximum of £300.00 without confirmation from the Landlord (unless specifically requested otherwise). We will arrange for quotes where necessary, except in an emergency when Realm Estates may need to proceed with work as quickly as possible without confirmation from the Landlord.
3. We will investigate any defect observed or brought to our attention by the tenant, however we cannot carry out any inspections for latent, inherent or structural problems.
4. If the Landlord is not available to approve an estimate and we are satisfied that the price is reasonable and that the repair should be completed without delay, we shall proceed with the work as soon as we have sufficient funds to meet the cost. If we do not have sufficient funds to organise the work we shall not carry it out until we are in receipt of funds for the purpose, or receive payment of rent, the net amount of which is sufficient to cover the cost.
5. Unless already organised by the Landlord, Realm Estates will arrange the gas, electrical and boiler inspections, professional cleaning and inventory reports.
6. Realm Estates will inspect the property every 6 months during the tenancy. For any extra management visits requested there will be a charge of £65 + VAT.
7. Register the tenant's deposit with a registered scheme on behalf of the Landlord.

The scheme that Realm Estates uses and recommends is the

#### **The Deposit Protection Service**

The Pavilions  
Bridgwater Road  
Bristol  
BS99 6AA

Tel number: 0330 303 0030

[www.depositprotection.com](http://www.depositprotection.com)

### 4. Renewals – 5% + VAT

Realm Estates will liaise with both the Tenant and the Landlord at least two months prior to the end of the Tenancy to ascertain whether the lease is to be renewed or extended by both parties. At that time we will advise you on the conditions of the current rental market and will negotiate any proposed rent increase requested with the Tenants. On agreement between all parties Realm Estates will draw up the relevant documents and Realm Estates will charge 5% of the agreed term which is payable at the start of the term. If a Tenant, introduced by Realm Estates to a property, introduces another tenant to the property, the Landlord will pay Realm Estates renewal fees as before irrespective of whether Realm Estates have carried out any negotiations. If the Tenant does not wish to remain

**Wandsworth Office:** 519 Old York Road, London, SW18 1TF. Tel: 020 8871 2633

**[realmestates.co.uk](http://realmestates.co.uk)**

\_\_\_\_\_initialed

in the property, then Realm Estates will re-market the property (with the Landlord's agreement) as soon as possible to obtain a new suitable Tenant (see point 1).

## **5. Overseas Landlords**

As Agents for overseas residents (Landlord's abroad for 6 months or more) whose properties are managed by Realm Estates we will:

Pay your income direct to you with no tax deductions, but only after we have received a certificate of approval from the Inland Revenue. You can apply to the Inland Revenue for a NRL 1 form. This is for individual Landlords. Should it be a company or Trust there are different forms and the Inland Revenue will be able to provide those forms on line.

## **6. General Conditions**

### **a. Service charges, Insurances Etc.**

It is the Landlord's responsibility to pay all outgoings such as buildings and contents insurance, ground rent and service charges and to ensure that a public liability clause is included in all policies. The Landlord must also ensure that the buildings and contents insurance cover is adequate and that the policy provides for furnished lettings. It is the Tenant's responsibility to register with the following utilities and pay for, council tax, water rates, sewerage, gas, electrical and telephone.

### **b. Cleaning**

It is the policy of Realm Estates to have each property professionally cleaned prior to the start of a Tenancy, with the responsibility for the end of tenancy clean down to the outgoing Tenants. This should mean that the property is maintained to a good clean standard. Should the property not be of the required standard Realm Estates reserve the right to authorise further cleaning the cost of which will be deducted from the rent achieved.

### **c. Inventory**

It is very important to ensure that there is a professional inventory made and that you employ a professional Inventory company to compile an inventory and check the tenants in at the start of the Tenancy, and to carry out the same at the end of the Tenancy. The cost for both of these reports is the responsibility of the Landlord for all tenancies commencing from 1<sup>st</sup> June 2019. It is obligatory for managed properties to have a professional Inventory. Should the Landlord of a let only property decide to prepare their own inventory it is the Landlord's responsibility to make arrangements for their representative or themselves to check the Tenant in and, at the end of the lease, out and to satisfy themselves of the accuracy of the Inventory. Realm Estates cannot take responsibility or give any guarantees as to the accuracy of the Independent inventory, check-in or out reports.

### **d. Money Laundering Regulations**

The Landlord must provide Realm Estates with evidence of their identity. We will need to take a copy of either your passport or your driving licence to be retained on file. We will also need the original of a recent utility bill in respect of your current address, which again we will copy, and return to you.

## **7. Tenancy Agreement**

The Tenancy agreement provided by Realm Estates is in their standard form for which we charge £150 + VAT charged to the Landlord. We can take no responsibility in relation to the use of this Agreement and we recommend you consult your own Solicitor and rely on their advice. There will be no administration fee to either the Landlord or Tenant should they renew based on the same terms.

The Landlord authorises Realm Estates to sign the Tenancy Agreement on their behalf should they be unavailable to sign, provided the Landlord has previously agreed the Tenants, the price, and the duration of the lease whether verbally or in writing and that Realm

Estates have made every effort to ensure satisfactory references have been received and that the contract has been signed and all monies have been collected prior to the commencement of the Tenancy.

## 8. Keys

The Landlord should ensure there are sufficient keys for each Tenant upon move in. Realm Estates require two further sets where we manage the property. Please note that if the keys are security keys it may be necessary for you to obtain written authority from the locksmiths or to give Realm Estates details as a key holder.

## 9. Safety Regulations

### a. Gas Appliances

**The Gas Safety (Installation and Use) Regulations 1998** deal with the installation, maintenance and use of gas appliances, fittings and flues in residential premises.

Landlords are required to:-

- ensure gas fittings and flues are maintained in a safe condition. There should be an annual service by a Gas Safe-registered gas installer on each gas appliance/flue. A record of each safety check should be kept for at least two years.
- Issue a copy of the latest safety check record to existing tenants within 28 days of the check being completed, or to a new tenant before they move in. We reserve the right to obtain a certificate, if one has not been obtained by the Landlord or delay the start of the Tenancy.

The safety check record will contain details of any defect identified and remedial action taken. It is an offence to use, or allow the use, of a gas appliance you know to be unsafe. Any defect should be rectified by a Gas Safe-registered gas installer before the equipment is used again.

- From the 1<sup>st</sup> October 2015 the following has become mandatory for private rental sector landlords:
  - Fit at least one smoke alarm on each floor of their premises
  - Fit a carbon monoxide alarm in all rooms containing a solid fuel appliance
  - Check that all alarms are working when a new tenancy starts – with potential penalties of up to £5,000 if they don't comply.

Many of you are already in compliance with regards to smoke alarms and carbon monoxide alarms but not the Legionella Risk Assessment.

### b. Electricity

## **The Electrical Equipment (Safety) Regulations 1994**

Landlords are required to ensure that all electrical equipment supplied in a property is safe to use. There is a legal requirement to provide tenants with an electrical safety certificate. Further, all electrical appliances should be checked at regular intervals, we recommend an annual inspection. Realm Estates reserve the right to have a qualified electrician check the premises should it not appear safe with the cost of this inspection and any remedial works payable by the Landlord.

Part P – Building Regulations

From 1<sup>st</sup> January 2005 all domestic electric installation work must be designed and installed by a Government approved electrician.

**c. Furniture and Furnishings**

**The Furniture and Furnishings (Fire) (Safety) Regulations 1988 – as amended 1993**

It is an offence to install any soft and upholstered furnishings such as sofas, beds, chairs, cushions, mattresses and headboards which do not comply with the regulations. All furniture should have the relevant labels. It is the Landlord's responsibility to ensure that all labels should be in evidence and should the labels not be in evidence, a receipt for the item should be produced to show the date and country of origin where the product was purchased. Realm Estates reserve the right to replace any furniture that does not comply with the cost being borne by the Landlord.

**By signing these terms of business the Landlord hereby confirms that the furniture and furnishings comply with the Regulations.**

**d. Energy Performance Certificate**

Landlords are obligated to provide an Energy Performance Certificate (regulations 1<sup>st</sup> October 2008). Your property will not be marketed until a certificate is obtained. Furthermore, from April 2018 all rented properties must have an environmental efficiency rating of E or above for all new tenancies or renewals.

**e. Alarms and Equipment.**

Any equipment (white goods) alarms and gas coal fires are deemed to be in working order. It is the Landlord's responsibility to ensure that they are all in working order at the commencement of any tenancy and kept in working order throughout. Should any equipment (alarm, gas coal fire, etc) not be working and the Landlord is not willing/able to make the item work, Realm Estates require confirmation in writing before marketing can commence. If no notification is made, Realm Estates will expect the Landlord to rectify the situation before the commencement of the Tenancy.

**Please circle if you would like Realm Estates to arrange the following on your behalf:**

Energy Performance Certificate Y/N   Gas safety Certificate Y/N   Professional clean Y/N   Inventory Y/N

Smoke Alarms/CO2 Detector Inspection Y/N

**Please confirm the utility companies at the property:**

Gas: \_\_\_\_\_ Elec: \_\_\_\_\_

Broadband: \_\_\_\_\_

**10. Permissions**

The Landlord should seek permission to sublet from the Freeholder of the property, and when requested be able to produce a copy of the head lease.

Where the property is subject to a mortgage, normally the Mortgagee also will have to be informed and permission to let will have to be given by the relevant Building Society or Bank.

**By signing these terms of business the Landlord hereby confirms that permission has been obtained from the Mortgagee.**

## 11. Redirection of Mail

Please ensure you arrange for the post office to redirect your mail. Tenants are unwilling to forward mail and this could mean important letters going astray. Realm Estates reserve the right to charge at cost for any redirection of post and are not responsible for the loss of any post during marketing and the tenancy. The Post Office have forms for this service.

## 12. Overdue fees

Interest on overdue fees will be charged at 2% over base rate, calculated on a daily basis.

## 13. Penalty for withdrawal

Should a Landlord accept an offer of a Tenancy, whether verbally or in writing, and subsequently withdraw their instructions Realm Estates will require a fee of £270.25 including VAT to cover any expenses incurred by Realm Estates.

## 14. Sale of Property

In the event that the Tenant or occupier wishes to purchase the property Realm Estates as introducing agent will charge the usual sole agency commission (1.5% plus VAT of the purchase price) which will be payable by the Landlord/Vendor on completion of the sale. Should the property be sold or ownership transferred with the benefit of a Tenancy, our letting fees remain the same payable by the original landlord for the duration of the lease and any renewals, regardless of whether Realm Estates have carried out the negotiations. Should the Landlord sell the property with the Tenant remaining in situ, the contract of sale should include an agreement by the purchaser to be responsible for our letting fees until the Tenant vacates the property. If no such agreement is made, the vendor will remain responsible for Realm Estates fees until such time as the Tenant vacates.

## 15. Notice period

Notice period for terminating a sole agency agreement is one week and should be in writing, email form is acceptable.

## 16. Landlord's bank details

Realm Estates require a nominated bank account in order to transfer any funds at the start or for rental payments during the tenancy. Please complete below:

Account Name: \_\_\_\_\_

Bank: \_\_\_\_\_

Sort Code: \_\_\_\_\_

Account No: \_\_\_\_\_

## 17. Receipt for Terms and Conditions

Please read and understand the Terms and Conditions, and should you have any queries please contact Realm Estates staff before signing.

When read and understood, please sign and date in the place reserved, acknowledging receipt and acceptance of our Terms and Conditions and return to us in the enclosed envelope retaining a copy for your records. Once signed this constitutes a legally binding agreement on the terms stated herein unless other terms have been pre-agreed in writing. This agreement relates to all current and

future Tenancies instigated by Realm Estates. Realm Estates reserve the right to amend these Terms and Conditions by giving one months' notice in writing.

In the event of you failing to return this form duly completed, any acceptance by you of any Tenant introduced through us or any other acts by expressing or implying acceptance of Realm Estates as your Agent in the letting or management of your property constitutes a legal binding agreement on the terms stated.

I/we agree and confirm that this Agreement is subject to the Terms and Conditions printed herewith, a duplicate of which has been retained by me/us and which form a legally binding contract and that Realm Estates lets my/our property under their terms and conditions for the following services

**Let only service (8% +VAT)**      **Please tick** \_\_\_\_\_  
(to be paid in full for the entire term upon commencement of the agreement)

**Rent Collection Service (2% + VAT)** **Please tick** \_\_\_\_\_  
(to be paid monthly)

**Management service (6%+VAT)**      **Please tick** \_\_\_\_\_  
(to be paid monthly)

I/we confirm that I/we are the Leaseholder/Freeholder/other \_\_\_\_\_ of the above property

I/we confirm that all the soft furnishings comply with the relevant fire and furnishing regulations.

I/we confirm that we are resident/non- resident for tax purposes and I/we will inform Realm Estates should the situation change whilst the property is let.

**Please sign here of your acceptance of the above clauses**

I/ we confirm that I/ we are the joint/ sole owner of the property

**Signature/s** \_\_\_\_\_

**Name/s (print)** \_\_\_\_\_

**Landlord's address** \_\_\_\_\_

\_\_\_\_\_

**Date** \_\_\_\_\_