

Landlord Agency Agreement

Terms & Conditions

This Agreement is made between Executive Lets and the Landlord/Owner of the Property or the Landlords/Owners Legally appointed representative. Executive Lets agrees to act as agent for the Landlord. Net-Lets.com will hereafter be referred to as "the Agent".

This document describes the letting and management service offered and the associated fees charged.

The Terms of this document will constitute a binding legal contract, so please seek legal advice if you are unsure of your obligations under this contract.

1. General Conditions

- 1.1 The Landlord confirms that they are the sole or joint owner of the Property and has the right to rent out the Property under the terms of the mortgage or head lease. Where necessary, the Landlord confirms that permission to let has been granted by the mortgagee. The Landlord authorises the Agent to carry out the various duties of property management as detailed in these terms and conditions.
- 1.2 The Agent may offer access, whilst not limited, to the following services: insurance policies, utility services and property maintenance teams (builders, joiners, decorators etc)
- 1.3 The Agent cannot accept responsibility for non-payment of rent, damage or other default by tenants, or any associated legal costs incurred in their collection where the Agent has acted correctly in terms of this agreement, or on the Landlord's instructions.

2. Reasonable Costs and Expenses

- 2.1 The Landlord agrees to repay the Agent for any reasonable costs, expenses or liabilities incurred by the Agent on behalf of the Landlord.
- 2.2 The Landlord agrees to respond promptly with instructions where necessary to any correspondence or requests from the Agent.
- 2.3 The Landlord agrees to reimburse the Agent for any claims arising from overpayment of Housing Benefit made by the local authority (if applicable).

3. Maintenance

- 3.1 Please note that we do not charge a mark-up on maintenance/repair works
- 3.2 The Landlord agrees to provide the letting property in good condition and that the furniture and all soft furnishings conform to the current fire safety regulations.
- 3.3 The Landlord agrees to make the Agent aware of any known ongoing maintenance problems at the time of marketing.
- 3.4 There are no specific regulations requiring certification for electrical wiring / installations in rented property. However, the Landlord has a general duty to provide a safe environment and is strongly advised to have the electrical installations regularly checked. Net-Lets.com can pass you to our selected partner to organise this if required.
- 3.5 Electrical installations in HMO's must be inspected and tested at least every five years by a qualified electrician and a certificate must be obtained. Net-Lets.com can pass you to our selected partner to organise this if required.
- 3.6 The Electrical Equipment (Safety) Regulations control the supply of electrical equipment. This covers all electrical goods, i.e. kettles, TV's, fires, fridges, etc. which must be safe. It is safer to have them PAT tested annually by a qualified electrician. Net-Lets.com can pass you to our selected partner to organise this if required.
- 3.7 The Agent will contact the Landlord regarding non-urgent maintenance work prior to taking action by sending email communication. If no response is received within 48 hours, then we will instruct contractors to carry out the work.
- 3.8 Where possible, the Agent will request a written quotation then seek authorisation from the Landlord in advance. However, it is agreed that, in an emergency, or for reasons of contractual necessity, where reasonable endeavours have been made to contact the Landlord, we may have to do the work without consent or quotation.
- 3.9 In order to reduce costs to you, we actively screen all maintenance calls, prior to instructing our maintenance team or partners
- 3.10 The Agent reserves the right to authorise repairs up to £180 inc vat, without cause to contact the Landlord, where this involves gas, water or electricity or any other maintenance issue.
- 3.11 Where the repair exceeds the value of your monthly rent, then we will ask you to pay this direct to the appropriate contractor
- 3.12 We operate on low margins and therefore, we reserve the right to increase fees, where a property has been deemed as high maintenance.

Landlord Agency Agreement

- 3.13 Exclusions - For a newly refurbished property, unless you have provided us with approved boiler cover, we operate a 1 month exclusion policy on boiler and plumbing issues, as this will be covered by your own trades people
- 3.14 For clarification, maintenance is deemed to be a reasonable amount of minor repair work to the property or furnishings, that would be expected with normal wear and tear to a property. It does not cover pre-existing issues that have not been fixed prior to tenancy, significant repairs, resolving existing prepayment debt from previous tenants, preparing legal documentation or meeting contractors on site. Such items will be chargeable if required.
- 3.15 We expect boiler and maintenance manuals to be left in the property. If manuals are not left at the property, then we will reprint these at a cost of £15 per manual.
- 3.16 Prior to marketing the property, unless already supplied by the Landlord, Net-Lets.com will instruct an EPC certificate to be carried out. The cost of the EPC starts at £72 inc VAT, depending upon the Supplier available. It will be included on your statement.
- 3.17 By law, it is necessary to carry out an annual Gas Safety Inspection for the central heating and any gas appliances. We require a Gas Inspection certificate at least 4 days prior to a new tenant moving into your property, if we do not received one, we will instruct a qualified gas engineer to carry one out. The cost of a certificate is £72 inc Vat
- 3.18 A Legionella Risk Assessment is a legal requirement for all domestic properties which are rented to a tenant, we will carry this out on behalf of the Landlord. The cost for a risk assessment is £72 inc Vat
- 3.19 By Law all properties must be fitted with smoke detectors they need to be fitted on all storeys of all properties where there is living accommodation. These can be either battery operated or mains powered. Battery operated smoke detectors need to have their batteries replaced regularly. A property must have a carbon monoxide alarm where there are solid fuel burning appliances i.e log burners and open fires. Not where Gas boilers are fitted but we do recommend they are they can be battery operated and does not have to be mains wired.

4. Council tax

- 4.1 Payment of Council Tax will normally be the responsibility of the Tenants in the Property. However, Landlords should be aware that where a property is empty, let as holiday accommodation, or let as a house in multiple occupation (HMO) responsibility for payment of council tax then rests with the owner of the property.

5. Services

- 5.1 As protection for The Landlord, The Agent will take meter readings whenever possible at each change of occupancy of the Property. However, it is the outgoing tenant's responsibility to inform the Gas and Electric companies. The Tenant will notify the appropriate Council and Water Company of tenancy occupation dates.

6. Inventory

- 6.1 We strongly advise you prepare an Inventory for your tenant. We insist upon all our managed properties having an inventory. Tenancy deposit protection does not make inventories compulsory. However, in practice, they are essential. Not only will you need an inventory in the sense of a list of items included in the tenancy (e.g. beds, curtains etc) but the inventory will have to record any damage/the condition of each item and any existing defects at the beginning of the tenancy will need to be set out. If your deposit is intended to cover damage to the property itself you will also need a condition schedule. Again, this will need to record any damage which exists when the tenancy starts. If an item of furniture is new or if the property has been recently internally decorated this will need to be recorded in your conditions schedule. You will need to take a full photographic record (e.g. with a digital camera or camcorder). You will need to take an inventory/condition schedule both at the start of the tenancy and when the tenancy ends. You will need to make sure that at the beginning of the tenancy the tenant(s) signs off the inventory/condition schedule. You must make sure that you check it carefully before they sign. Any photographs should be dated. The Agent can organise this on behalf of the Landlord, inventory prices start from £75 inc Vat.
- 6.2 Landlords are advised not leave any articles of exceptional value in the Property.

7. Tenancy Agreement

- 7.1 The Standard Management Service includes the preparation of a Tenancy Agreement in the Agent's standard form. It is agreed that the Agent may sign the Tenancy Agreement(s) on behalf of the Landlord.
- 7.2 Should the Landlord, advisors or mortgagees require amendment of the contract or require the Agent to enter into further work or correspondence, a fee for this extra work may be requested, charges to be agreed by both parties and deducted from the landlord's statement.

8. Inspections

- 8.1 Under the Fully Managed Service, the Agent will carry out periodic inspections during the term of the Tenancy. It is not the intention of the Agent to check every item of the inventory at this stage; the inspection is concerned with verifying the good order of the Tenancy and the general condition of the Property. This would normally include inspecting the main items such as carpets, walls, cooker, main living areas and gardens. In the event of any issues, a more detailed inspection would be made.
- 8.2 Following the departure of Tenants, the property will be checked out and inspected with the inventory. The cost of the check out is £54 inc vat. If Net-Lets.com re let the property and continue to manage the property we will, prepare a new Inventory free of charge.

9. Deposits

- 9.1 A deposit is taken from a Tenant by the Agent but this fee does not protect the Landlord against loss of rent due to the Tenant deciding to withdraw, or references proving unsuitable.
- 9.2 Upon signing the Tenancy Agreement, the Agent will take a deposit (normally equivalent to one month's rent unless otherwise agreed), from the Tenant(s) in addition to one month's rent from date of tenancy commencement. The purpose of the deposit is to protect the Landlord against loss of rent or damage to the Property during the Tenancy.
- 9.3 The deposit will be held by the Agent and placed with the Deposit Protection Scheme. The Deposit will be refunded, less any charges due, at the end of the Tenancy. A charge of £18 inc Vat will be made for this service. This charge covers the costs incurred by Net-Lets.com and will be deducted and displayed on your initial statement.

10 Termination of Landlord Agency Agreement

- 10.1 The term of this agreement applies to the Tenants period of occupancy, the Tenant having been found by Net-Lets.com.
- 10.2 This agreement may be terminated by either party by way of two months written notice.
- 10.3 We require two week's notice if you wish to terminate this agreement during the time that we are marketing your property and do not have a Tenant in situ. If the agreement is terminated without serving the said notice, there will be a cancellation charge of £120 inc Vat for the advertising and marketing of your property.
- 10.4 If termination of this agreement is carried out by the Landlord with the Net-Lets.com Tenant in situ and the AST is still within the fixed term there will be a fixed fee of £300 inc Vat chargeable to the landlord and this will be deducted within the two month notice period and will appear on the landlord's statement as a means of contractual compensation.
- 10.5 If the agreement is cancelled when the fixed AST has expired and the tenancy has become periodic an administration fee of £60 inc vat is chargeable to the Landlord.
- 10.6 If the agreement is cancelled and the Landlord requires the Agent to evict the tenant and handle the process of liaising with a Sales Agent in preparation for the property to be marketed for sale an administration cost of £150 inc vat is chargeable to the Landlord
- 10.7 Where cancellation of this agreement is unavoidable due to circumstances beyond the control of either party, the minimum fee may not apply.
- 10.8 The Landlord shall provide the Agent with any requirements for return and repossession of the property at the earliest opportunity.
- 10.9 Landlords should be aware that any Tenancy Agreement entered into on the Landlord's behalf is a legally binding agreement for the term agreed. Details of any Tenancy Agreement being entered into will be communicated to the Landlord as soon as possible.
- 10.10 Landlords should be aware that the legal minimum notice period to Tenants under Assured Tenancies is generally two months (unless the Tenancy contract allows for early termination) and this needs to be given even in the case of a fixed term Tenancy which is due to expire.

11 Safety regulations

- 11.1 The letting of property is now closely regulated with respect to consumer safety. The law makes particular demands regarding the safety, servicing and inspection of the gas and electric appliances and installations within a property, and with respect to the safety of furniture and soft furnishings provided. The following regulations apply:

Landlord Agency Agreement

- a) Furniture and Furnishings (Fire)(Safety) Regulations 1988
- b) General Product Safety Regulations 1994
- c) Gas Safety (Installation and Use) Regulations 1998

- d) Electrical Equipment (Safety) Regulations 1994
- e) Plugs and Sockets (Safety) Regulations 1994

11.2 The Landlord confirms that they are aware of these obligations and that the Agent has provided sufficient information to assist with compliance. It is agreed that the Landlord shall ensure that the property is made available for letting in a safe condition and in compliance with above regulations.

11.3 The Landlord agrees to repay the Agent costs in incurring any reasonable expenses or penalties that may be suffered as a result of non-compliance of the property to fire and appliance safety standards.

12 Instructions

12.1 Any instructions to the Agent from the Landlord regarding termination, proceedings, major repairs, payment details or other significant details regarding the letting must be confirmed to the Agent in writing.

13 Insurance

13.1 The Landlord shall be responsible for the property being adequately insured and that the insurance policy covers the situation where the property is let.

14 Legal Proceedings

14.1 Any delays of payment or other defaults will be acted on by the Agent in the first instance. The Agent will prepare and send an Arrears letter to the Tenant within 7 days.

14.2 When payment falls two months into arrears section notices in accordance with the Housing Act 1988, will be issued.

14.3 Where the Agent has been unsuccessful in these initial actions, or there are significant rent arrears or breaches of the Tenancy Agreement, a Solicitor should then be appointed and instructed by the Landlord. The Landlord is responsible for payment of all legal fees and any related costs. An insurance policy is recommended for this eventuality, which covers rent protection and eviction.

15 Renewals

15.1 The Tenancy can be renewed or extended to the same Tenant (or any person associated with the Tenant) originally introduced by the Agent and the administration cost of £54 inc Vat is chargeable directly to the Landlord. The terms of this agreement shall continue until the Tenant leaves or the agreement is terminated by written notice.

16 Agreement

16.1 The Agent will charge for the Fully Managed services (tick as appropriate):



Letting and Tenant Finder's Fee of £236.40 inc Vat This is re-chargeable on each change of tenancy.



A Management Charge of 12% inc Vat on all rents collected.

16.2 Should the Agent need to carry out duties on behalf of the Landlord, beyond the Agent's reasonable day to day management, Miscellaneous Charges will be applied at £18 inc vat per hour and deducted from the landlord's statement.

16.3 All charges will be deducted from the rents collected and appear on the landlord's statement.

16.4 The Agent will pay any outgoings on behalf of the Landlord, which will be deducted from rental incomes. Whilst the Agent will question any obvious discrepancies, it must be understood that The Agent cannot accept any responsibility for any inadequacy for services provided by third parties such as service and maintenance charges.

17 Our Services

17.1 Property Appraisal and Rental Evaluation, as well as advice on furnishing and presenting your property.

17.2 Advertising and marketing your property.

17.3 Accompanied viewings with prospective Tenants, as well as giving notice of entry to existing Tenants.

Landlord Agency Agreement

- 17.4 Dealing with Tenant Applications, seeking references from credit agencies, previous Landlords and Employers, as well as seeking and credit checking guarantors where necessary. The Agent will vet the Tenant thoroughly to ensure that the Tenant is suitable and does not provide an unsuitable risk. However the Agent cannot guarantee this.
- 17.5 Preparing and completing the Tenancy Agreement, as well as renewing the Tenancy wherever possible.
- 17.6 Collecting the Deposit from the Tenant, held in accordance with Tenancy Deposit Regulations. Included in Fully Managed Service only.
- 17.7 Notifying the Tenants to inform the relevant authorities for Council Tax and Water Rates of a change of occupier.
- 17.8 Recording Gas and Electricity meter readings at commencement of the Tenancy.
- 17.9 Collection of Monthly Rental Income. An electronic statement will be sent to the Landlord within 7 days of Net-Lets.com receiving each payment from the Tenant. Rental payments are taken on the same day as the original tenancy start date, each calendar month with the first month's rent taken on check in. A BACs payment will be made each month to the Landlord within 5 working days of receipt from the tenant, minus any fees or expenses due during the period.
- 17.10 Issuing rent demands for late payments and notifying the Landlord of any Tenant Arrears. Any legal costs will be met by the Landlord, although this will be agreed prior to Solicitors being instructed.
- 17.11 Responsibility for the day to day Management of your property such as arranging general repairs and maintenance.
- 17.12 Property Inspections at regular intervals.
- 17.13 Access to our Online "Landlord Log in area".
- 17.14 Subject to Inventory service having been taken out then this will be checked at the end of the Tenancy and assess whether the property has been left in a suitable condition, excluding normal wear and tear.
- 17.15 Organising the return of Deposit monies at the end of the Tenancy term. If you wish to inspect the property yourself, please inform us before the date of the end of the Tenancy as strict legal obligations for resolving Tenants deposits apply.

18 Landlord Authorisation

- 18.1 By signing this declaration the Landlord authorises the Agent to find a suitable Tenant for the property and to sign the Tenancy Agreements and other documents relevant to the Tenancy on The Landlord's behalf.
- 18.2 If you are classed as a resident overseas for tax purposes, the Agent is responsible for deducting income tax at the basic rate on the rental income unless the Landlord provides us with an exemption certificate. The Landlord agrees to notify the Agent if at any time the Landlord becomes non-resident in the UK.
- 18.3 Net-Lets.com is instructed on a sole agent basis, unless otherwise agreed in writing.
- 18.4 Please enclose a proof of Address and Photographic ID in accordance with Money laundering legislation.
- 18.5 Please complete and sign this agreement.
- 18.6 Please attach proof of home ownership such as mortgage statement or property deeds.
- 18.7 You will receive your Landlord log in details once your property is uploaded to our portals.

