

## MANAGEMENT SERVICE AGREEMENT

This management service agreement (the “**Agreement**”) is made between:

1. HT Homess Limited of Dashwood Ave High Wycombe HP12 3EB (“**HT Homess**”); and
2. ....(the “**Landlord**”)  
.....
3. ....(the “**Property**”)

The Landlord hereby instructs HT Homess to act as sole agents and to proceed with the letting of the Property under the following terms and conditions.

### 1. MARKETING

A fee of **£199** plus VAT (excluding any outlays) will be payable to cover the following:

- Initial photography/promotional video
- Advertising in our property listings
- Website advertising
- To-Let board or Poster
- Accompanied viewings
- Tenant vetting
- Serving of statutory Notices prior to letting
- Preparation of Tenancy Agreement
- Advising the utilities and Council Tax office of a tenant moving in/out

### 2. MANAGEMENT FEE

Our management fee is **10%** plus VAT (subject to a minimum fee of **£45** plus VAT) of the total rent payable monthly when the rent falls due from the Tenant and is collected on receipt of rent from the Tenant. Please note that, unless a separate agreement is entered into, these terms will apply for all properties managed by HT Homess for the Landlord even if they are not named above. The full management service includes the following:

- Monthly rent collection
- Organise tradesmen to carry out maintenance to the mutually agreed limit (unless instructed otherwise by the Landlord)
- Provide check out service and agree inventory and meter readings with incoming and outgoing tenants
- Carry out inspections of the property during the Tenancy
- Provide the tenant with dedicated point of contact for maintenance and account enquiries for the duration of tenancy

### 3. END OF TENANCY

Our end of tenancy fee is **£95** plus VAT. It covers the following:

- Full check out visit to the Property to finalise the tenancy (including utilities)
- Full inspection and cleaning check
- Deal with tenants and submit an application to the relevant Tenancy Deposit Scheme at the end of the tenancy (subject to clause 10 and 42) in relation to repayment of and/or claims against the deposit.

### 4. EARLY TERMINATION

Should the Landlord agree with any tenant to release the tenant(s) early from any tenancy agreed by HT Homess, in addition to the End of Tenancy fee in clause 3 above, the Landlord will require to pay to HT Homess a sum equivalent to the remaining tenancy management fees (as determined by clause 2 above)

including VAT for the initial period of the tenancy to be terminated or any extension (whether in separate writing or by operation of any Lease or Tacit relocation).

## 5. INVENTORY

HT Homess can prepare (or arrange to have prepared on your behalf) a detailed inventory including photographs. The cost of HT Homess preparing such an inventory is detailed in clause 7 below. Although great care will be taken we cannot accept responsibility for error or omission unless any error or omission is brought to our attention by the Landlord within 5 days of being supplied with a copy of the inventory. Nor can HT Homess accept any responsibility for errors or omissions for inventories prepared by third parties including the Landlord themselves. Failure to prepare a proper inventory will prejudice any deposit repayment claim with an approved Tenancy Deposit Scheme.

## 6. RENT GUARANTEE

HT Homess can provide the Landlord with a rent guarantee and legal expenses cover. This means that the Landlord will still receive payment of rent even if the tenant defaults (subject to conditions). The cost of this is **2.54%** plus VAT of the total rent payable monthly (whether paid by the tenant or not) - HT Homess will offer this service free of charge for the first 2 months of the first tenancy, if you wish to cancel the cover thereafter we require one months' written notice.

## 7. ADDITIONAL SERVICES REQUIRED

Please tick the additional service(s) you require

- |                          |  |  |
|--------------------------|--|--|
| <input type="checkbox"/> | Energy Performance Certificate   | Cost <b>£65</b> plus VAT   |
| <input type="checkbox"/> | Gas Safety Certificate   | Cost <b>£59.40</b> plus VAT (for 2 appliances)   |
| <input type="checkbox"/> | Electrical Testing (optional)<br>(Electrical Installation, condition reports and Portable Appliance Testing) | Cost <b>£100</b> plus VAT  |
| <input type="checkbox"/> | Preparation of inventory (see clause 5)  | Cost <b>£95</b> plus VAT   |
| <input type="checkbox"/> | Installation of smoke alarms (see clause 26 for details)   | Cost <b>£</b><br><i>1st smoke alarm - £72.15</i><br><i>Each additional alarm - £49.95</i><br><i>Heat detector - £72.15</i> |

## 8. SALE OF THE PROPERTY

Should, at any time after the commencement of the tenancy, unconditional contracts for the sale of the Landlord's property be exchanged with the tenant or any associated party, HT Homess will be entitled to a fixed commission of **£750** plus VAT.

## 9. JOINT OWNERS

Where the property is jointly owned, the Landlord warrants that he/she is authorised to give instructions on their behalf.

## 10. TENANT DEPOSIT

In terms of Tenancy Deposit Schemes (Scotland) Regulations 2011 you require to pay any deposit taken to an approved Deposit Scheme Provider (TD Scheme) as well as issue certain information to the tenant(s) all within 30 working days of the start of the tenancy. HT Homess will do that for the landlord unless specifically instructed not to by the landlord. Failure to pay a deposit into a TD Scheme or issue the required information to tenant(s) may result in the landlord being ordered to pay a sum equivalent to 3 times the original deposit to the tenant(s) as well as being ordered to pay the deposit into a TD Scheme. The Deposit itself will be held by the TD Scheme and they will retain any interest earned on that deposit. At the end of the tenancy the landlord should make an application to the TD Scheme for repayment of the Deposit. This claim should set out the end date of the tenancy and what proportion of the deposit should be repaid to the tenant(s) as well as any claim against the Deposit. If the repayment proposal is agreed, it will be repaid within 5 working days of notification of that agreement to TD Scheme. If the tenants dispute the repayment claim then the dispute will normally be remitted to an independent adjudicator to decide the issue. Although the provision of Alternative Dispute Resolution (ADR) is free to users and will

normally be covered by the End of Tenancy Fee, HT Homess reserve the right to charge an additional fee to Landlords in the event that a dispute goes to adjudication, which will be calculated in accordance with Clause 42 "Agent's Time".

#### **11. MORTGAGE CONSENT**

The Landlord warrants that permission to let has been obtained from his mortgage provider.

#### **2. LANDLORD REGISTRATION**

It is the Landlords responsibility to register with the British Landlord Registration Scheme and to advise HT Homess of the applicable Landlord and property references. It is a criminal offence to act as an unregistered landlord. Failure to provide the appropriate registration numbers may result in us being unable to market the Property until they are provided.

#### **13. HOUSES IN MULTIPLE OCCUPATION (HMO)**

If the property and the Management is classified as an HMO, it is the Landlords responsibility to ensure that the property is registered and has the necessary Licences for use as an HMO from the relevant Local Housing Authority.

#### **14. FINANCIAL SERVICES AND MARKETS ACT 2000**

With the introduction of the Financial Services and Markets Act 2000, HT Homess can no longer deal with or administer insurance claims through a third party insurer. To do so would now be a criminal act.

#### **15. INSURANCE**

The Landlord must have adequate buildings and contents insurance including cover for owners/landlords liability for the duration of the tenancy and full details of this will be provided to HT Homess cannot accept responsibility for the adequacy of any insurance cover arranged.

#### **16. FIRE AND FURNISHINGS (FIRE) (SAFETY) REGULATIONS 1988**

The Landlord warrants that he/she is fully aware of the requirements of these regulations and the relevant amendments. The Landlord declares that all relevant furnishings in, or to be included in the property complies with these regulations.

#### **17. GAS SAFETY INSTALLATION AND USE REGULATIONS 1998**

The Landlord is fully responsible for ensuring that gas installations and gas appliances are maintained in good order before the commencement of a tenancy as well as throughout and checked for safety at least every 12 months by a GasSafe registered engineer. A property cannot be let without such a certificate. HT Homess can appoint a GasSafe regulated engineer to inspect all gas appliances and their installations and carry out any remedial work necessary. The cost incurred will be debited to the Landlords account.

#### **18. ENERGY PERFORMANCE CERTIFICATES**

In accordance with a European Union directive all properties let after January 2009 require an Energy Performance Certificate. An EPC is valid for 10 years. HT Homess can arrange this at the Landlords expense.

#### **19. ELECTRICAL INSTALLATION CONDITION REPORT**

A Landlord has a duty of care to ensure all electrical installations and any appliances supplied are safe. Accordingly, if not supplied by the Landlord for the beginning of any tenancy or when they fall due, HT Homess can arrange for an Electrical Installation Condition Report to be prepared at the Landlord's expense (payment will usually be required in advance) together with any renewal certificates in line with any recommendation from the instructed electrician or remedial works. In addition an annual Portable Appliance Test (PAT) can be instructed on the Landlord's behalf. (see clause 7 for charges that apply).

#### **20. OVERSEAS LANDLORDS FINANCE ACT 1955**

Unless an exemption is received from the Inland Revenue, HT Homess is obliged by law to deduct tax from rent received on behalf of non-resident Landlords and pay it to the Inland Revenue on a quarterly basis. Joint owners must each have their own exemption. Exemptions are not transferable between agents. A fee of **£75** per annum is chargeable where HT Homess require to complete and submit a tax return to HMRC and the provision of information to Landlords.

## **21. TENANT SELECTION**

Great care will be taken in selecting suitable tenant and financial guarantors may be obtained where deemed necessary. Credit checks will be carried out on all UK tenants and guarantors (where possible to do so). However, we are unable to guarantee the suitability of tenants, timely rent payments or vacant possession at the end of the tenancy. We cannot be held liable by the Landlord for such events.

## **22. INSPECTIONS**

HT Homess will carry out regular inspections. They are not intended to be structural surveys or inventory checks. HT Homess cannot accept responsibility for hidden or latent defects.

## **23. EMPTY VISITS**

Many major insurance companies insist that regular visits are carried out on empty properties. In the event that you wish us to provide this service for you, we will be pleased to provide you with further details.

## **24. APPLIANCES**

The landlord agrees that all appliances and apparatus in the property are in full working order and any maintenance and snagging issues have been completed. The landlord will also insure that manuals for all appliances and apparatus are left in the property. Failure to supply appliance instructions may result in call-out charges to be paid by the landlord, should the tenant be unable to use an appliance.

## **25. KEYS**

A minimum of 3 sets of keys will be required. HT Homess retain 1 2 set for emergency access, maintenance and inspections. Each tenant will require 1 set of keys. If additional sets are required HT Homess will arrange copies at the Landlords expense.

## **26. SMOKE DETECTORS**

The landlord confirms that the property has a working smoke detection system. The property should have functioning interlinked smoke alarms in every room frequently used for general daytime living purposes, in every circulation space (eg halls and landings) as well as a heat alarm in every kitchen. The landlord understands that any existing battery operated systems should be replaced with a hard-wired interlinked system unless the landlord can objectively justify (and prove where challenged) why a lesser level of protection is appropriate in a particular property. This is in compliance with the Repairing Standard set out in the Housing (Scotland) Act 2006. The landlord will be liable for the cost of any replacement or upgrading. Please let us know if you require this service and we will provide you with a quote.

## **27. SERVING NOTICE**

Subject to the minimum period of the tenancy agreement, the tenant must be given at least 2 months' notice to vacate the property. The notice must tie-in with the tenancy 'ish' date. HT Homess require 12 weeks to enable proper service of notice on the tenant. It is the Landlords responsibility to give such notice of their wish to recover possession of the property, in writing and in sufficient time to HT Homess.

## **28. TRANSFER OF RENT**

On the date of entry, the tenant will pay the first months rent (this may be apportioned, depending on the date of entry), plus the deposit. The rent will be paid to you on a monthly basis, and each payment, after deduction of our Management Fee, and any expenditure, shall be lodged with your Bank or Building Society. Interim payments following late rental payments, will only be made by request.

## **29. RENT STATEMENT AND INVOICES**

HT Homess will provide detailed rent statements for all rent received and will provide invoices on request for works carried out.

## **30. LANDLORDS BANK CHARGES**

HT Homess cannot be held responsible for any bank charges incurred by the Landlords bank due to rent payments being late or insufficient to cover the scheduled payments.

## **31. THE REPAIRING STANDARD**

In terms of the Housing Act 2006 the Landlord requires to ensure that the property meets the Repairing Standard as laid out in Section 13 of that Act. That means that the Landlord has an obligation to ensure the following:-

- The property is wind and watertight and in all other respects fit for human habitation.
- The structure and exterior of the property are in a reasonable state of repair and working properly.
- The installation for supply of water, gas, electricity, sanitation, heating, and water heating are in a reasonable state of repair and working properly (as long as the landlord has some form of responsibility to maintain these installations whether directly or indirectly).
- Furnishings supplied by the landlord under the tenancy can be used safely and for the purpose they were designed.
- That there is satisfactory provision for fire/smoke detectors.

### **32. REPAIRS AND MAINTENANCE**

HT Homess will attend to day to day minor repairs and maintenance of the property and its contents. In the event of major repairs HT Homess will endeavour to consult with and take instruction from the Landlord. The Landlord agrees to carry out or give instruction to carry out repairs or maintenance within a reasonable period of time.

In the case of an emergency or when HT Homess considers it necessary, we will act in order to protect the Landlord's interest without consultation.

The Landlord will be responsible for the cost of any repairs or maintenance carried out by HT Homess, or their appointed contractors.

The Landlord agrees that if repair or maintenance is required, HT Homess will only contact the landlord should the repair or replacement exceed the sum of £150 (per job). If there are insufficient funds in the Landlord's account, HT Homess reserve the right not to instruct any works until sufficient funds are received from the Landlord. HT Homess cannot be held liable for any defective work or negligence by tradesmen instructed on the Landlord's behalf (unless such tradesmen are direct employees of HT Homess). Such matters fall to be dealt with by the Landlord direct with any such tradesmen.

### **33. TRANSFER OF UTILITIES**

Where provided with the name of suppliers and utility account numbers, HT Homess will inform existing suppliers and the local authority of the tenants name, date of entry and meter readings. Your signature to this agreement authorises us to contact utility providers and for them to disclose any information required to us.

### **34. ENDING THIS AGREEMENT**

Either party may terminate this agreement by giving no less than three months written notice. In addition to any Marketing fee due under clause 1, if the Landlord withdraws his property after marketing has commenced and within 28 days of the date HT Homess are appointed, but where no Tenant has been found a **£75** plus VAT Cancellation Fee will be due to HT Homess. Should the Landlord terminate this agreement once a tenant has been found but the tenancy has not commenced a **£150** plus VAT cancellation fee will be due to HT Homess. Where a tenancy has commenced in addition to the notice requirement above, the Landlord is liable to HT Homess for a sum equivalent to the remaining Management Fees including VAT (see clause 2) for the initial period of Lease or any extensions extant, whether agreed in writing or not, (or under operation of Tacit Relocation) when any notice given under this clause expires.

### **35. TERMINATION**

The landlord agrees that HT Homess reserves the right to terminate this agreement with immediate effect should the landlord fail to comply with any laws or regulations governing leased property, or fail to comply with HT Homess's Terms and Conditions as set out in this document.

### **36. VACANT POSSESSION**

The landlord agrees to inform HT Homess in writing before the appropriate deadlines if the landlord needs vacant possession of the property and/or require termination of the lease. If HT Homess has not received written instructions to end the lease by the legal deadlines, we will assume that you are happy to continue the lease under the same terms. HT Homess accepts no liability for extending a lease if it has not been advised otherwise.

### **37. DATA PROTECTION AND PRIVACY POLICY**

Information we hold about you, whether on paper or on computer, will be used lawfully, kept up to date, kept secure, not kept for longer than necessary and will not be passed to third parties without your instruction or the instruction of a government body, all in accordance with the Data Protection Act 1998.

### **38. MAKING A COMPLAINT**

If you ask us, we will tell you how to make a complaint and how quickly we will deal with it.

**39. VAT**

All HT Homess management fees and any other charges are subject to VAT at the prevailing rate.

**40. TERMS OF BUSINESS**

HT Homess reserves the right to amend its fees and terms of business and the landlord will be given 30 days notification of any such changes.

**41. RIGHT TO LET**

The landlord agrees that they have unrestricted right and title to let the property and the contents.

**42. AGENTS TIME**

The Landlord agrees that any task carried outwith the scope of this agreement will be charged on a time and line basis. Currently £40 per hour (excluding VAT and outlays)

**43. INSTRUCTING SOLICITORS**

Should the Landlord require HT Homess to instruct Solicitors on their behalf in relation to the Tenancy, any additional work (e.g. instructing Notice to Quit and AT6, providing documentation or general liaison) will be charged in accordance with Clause 42.

**44. AMENDMENTS/VARIATIONS**

This contract constitutes the entire agreement between the Landlord and HT Homess and supersedes all prior agreements, understandings, representations or communications between parties. No amendments or variations will have any contractual effect unless approved in writing by a director of HT Homess.

**45. MAIL REDIRECTION**

It is for the Landlord to arrange any redirection of mail from any property managed by Kingdom Estates. Arranging redirection of mail for Landlords does not form part of HT Homess's duties under this agreement.

**46. MISCELLANEOUS**

The Landlord agrees that HT Homess have authority to do the following;-

- Sign all legal documents in connection with matters arising from this Agreement on behalf of the Landlord;
- Remove furniture, furnishings, electrical appliances, installations or gas appliances from the property which do not comply with the current safety legislation or the Repairing Standard and to replace them at the Landlords expense with a reasonable equivalent;
- Receive and retain any commissions from third party contractors/suppliers appointed by HT Homess in relation to the Property or Properties covered by this agreement; and
- Deduct any sums due to HT Homess (including but not limited to commission, fees or reimbursement of outlays) by the Landlord from sums held on account on the Landlord's behalf.

□

I instruct and authorise HT Homess to act on my/our behalf in the marketing and management of this property. I have read and understood the Terms and Conditions as set out above and overleaf. I accept

\_\_\_\_\_ that in signing this document I am bound by its entire contents.  
 Signature 1 \_\_\_\_\_  
 \_\_\_\_\_  
 Name of Owner 1

Name of Owner 2 \_\_\_\_\_

Signature 2 \_\_\_\_\_ Date

\_\_\_\_\_

Landlord Registration Number(s) \_\_\_\_\_

Date