

Management Agreement

Landlord/Lady:

Property/ies to be managed:

Landlord and Agent Obligations:

- The agent will visit the property and advise on what may be needed to put the property into an attractive Letting proposition, and to comply with the law. We will not do a structural survey, and our inspection is limited to what we can see and use. You have a duty to make us aware of any known defects in the property. You have a duty to advise us of any restrictive covenants within the lease.
- The Landlord will ensure that furniture complies with regulations and that a Gas Safety Certificate is in force. If we recommend that you have tested electrical wiring or appliances, we expect you to comply with that request.
- We will hold details of the property to promote the best possible letting. We will show prospective tenants around the property, and take up references on them. References are a guide to past behaviour, not a guarantee of future performance. Please advise us if you wish to appoint the tenant or if you wish us to choose the tenant for you.
- We can arrange (through independent insurance company,) insurance that guarantees the payment of rent if the tenant defaults. (Subject to terms and conditions.) If you do not take it, then we can not accept responsibility if the tenant subsequently defaults. We have discharged our duties to provide you with best advice in offering this insurance.
- When a tenant is approved, we shall take a deposit, usually of at least 1 months rent to be held by us as stakeholder until the end of the tenancy and only refunded if all the rent has been paid, all utilities have been paid, keys returned and the property has been left in a good clean condition. Charges are deducted from the tenant's deposit at our discretion. We shall sign a tenancy agreement on your behalf.
- We shall serve appropriate notices upon the tenant as required. We cannot act on your behalf in relation to any court proceedings, only advise. We are not responsible for any legal costs incurred.
- We will carry out inspections to the property upon request. These are not intended to be a survey of the property, and serve to indicate that from a non-intrusive visit the property appears to be well cared for and that the terms of the tenancy are being adhered to. The laws relating to harassment prevent us from going too far.
- We will collect and pay to you via BACS, rents on a calendar monthly basis and prepare and forward statements of income and expenditure. If a tenant is late with rent we shall advise you of the situation and of the action we have taken or intend to take.

- **The tenancy deposit:** We are members of *The Tenancy Deposit Scheme*, which is administered by:
The Dispute Service Ltd
PO Box 1255
Hemel Hempstead
Hertfordshire
HP1 9GN
Tel: 0845 226 7837
web: www.thedisputeservice.co.uk
email: deposits@tds.gb.com
fax: 01442 253193

We shall hold the deposit under the terms of the Tenancy Deposit Scheme.

At the end of the tenancy, 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 of 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.

If, after 10 working days* following notification of a dispute to us and reasonable attempts having 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 be submitted to the Independent Case Examiner (ICE) for adjudication. All parties agree to co-operate with any adjudication.

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.

The statutory rights of either you/the Landlord or the Tenant(s) 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. Because it is a condition of the Tenancy Agreement signed by both parties, judges may 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.

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 as member agents.

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.

*These time scales can be changed by agreement with the tenant in individual cases or by the contract used as standard by the agent.

- The Landlord must insure the property adequately, inform the insurance company of the Tenancy and let us have a copy of the insurance certificate. If there is to be an insurance claim we shall handle the claim for you and write the necessary letters etc. However, visits to the property to meet loss adjuster's etc are chargeable.
- You agree that we can renew the tenancy without seeking further consent from you unless you advise us in writing to the contrary no later than 3 months before the end of the tenancy. Whether or not you renew our written instructions, our commission becomes due and payable by you.

- You agree that you will not visit the property for any purpose without notifying us. This is to protect us from any claims from the tenants that they are being harassed.
- If the tenant notifies us of a repair, we shall instruct competent workers to carry out the repair as long as the repair cost is below approximately £200 without reference to you. If you prefer, we can agree an alternative amount. If the work exceeds that amount, we will endeavour to contact you to seek your approval. If we cannot contact you, and the work is either something that would be your repairing obligation under S11 Landlord and Tenant Act 1985, or is prejudicial to health, or is something for which we could be prosecuted if the work is not done, you agree to indemnify us if we carry out the work because we cannot contact you at the contact addresses, telephone and e-mail we have for you. You agree that the cost of works will be deducted by us from current and future rent until paid for.
- You warrant to us that you have the right to grant Tenancies, and instruct us, and that you have not withheld from us details of co-owners or others who may have a beneficial interest in the property. If the situation is not as you warrant, you will still be liable to pay our fees, even though the proposed tenancy may be frustrated.
- If there are co-owners, you will send us written authority from all of them as to who we are to send payment in settlement of any monies we receive on your behalf.
- You agree to indemnify us for any losses arising from your failure to undertake repairs at the property, and for any losses we may incur if you have not properly disclosed to us any restrictive covenants or other matters which may place us in breach of contract with the tenants.
- You agree to pay any utility or council tax charges while the property is not tenanted.
- You agree to give us three months notice in writing to terminate this agreement. Commission is payable on the remainder of the fixed period of the tenancy agreement if longer than three months. You agree upon termination of this agreement to pay any monies owed to us if your account should be in debit.
- We will charge and you agree to pay a commission of 10%+vat of all monies collected plus additional expenses as detailed in our list of 'charges to landlords' enclosed when relevant. This is to be paid monthly deducted from the rental income and will appear on the monthly statement of income and expenditure.
- We confirm that we are members of *The Property Ombudsman* and *National Approved Letting Scheme* and have Client Money Protection insurance in place.

Signed on behalf of Montrose Properties (Didsbury) Ltd:

Landlord/Lady Signature:

Date:

We have been established since 1981 and our aim has always been to provide an efficient, honest and friendly service to both Landlord/Lady and Tenant.