

Residential lettings service agreement



TENANT-FIND SERVICE ONLY

This agreement is between:

- 1 This agreement sets out the conditions under which we will advertise your property and find a tenant for you. It sets out the services we will provide as part of our tenant-find service. It includes properties listed in Schedule A of this agreement and any other properties which you give us the keys to.
- 2 By law, once you sign this agreement you must keep to its conditions. Please contact us if you want us to explain any of the terms in this agreement, or you may ask for independent advice before signing this agreement.
- 3 Various acts of parliament cover letting property. As professional letting agents, we must tell you about the acts and make sure you follow them before we can let your property. We will explain these to you in this agreement.
- 4 We also have a duty to the tenant to make sure that you and we are legally entitled to offer them a tenancy. If you have a mortgage, you may need to get your lenders permission before letting the property. If there are joint owners, you must tell us who they are, and we need their permission in writing before we can act for you.
- 5 Under the **Consumer Protection Acts**, the property must be fit for someone to live in when you let it. As part of our service, we will inspect your property and tell you about anything we feel may not meet those laws. If we feel that any repairs need to be done, we cannot let the property until the repairs have been completed.
- 6 All furniture and soft furnishings you provide as part of the tenancy must meet the **Fire and furnishing Regulations**1988.
- 7 Under the **gas safety Installation and use regulations 1994**, you must have a valid gas safety certificate for the property before the start of the tenancy. You need to give us a valid certificate before the start of the tenancy; we can arrange this for you. There will be an extra charge for this.
- 8 The Low Voltage Electrical Equipment (Safety) Regulations 1989 and Electrical Equipment (Safety) Regulations 1994 deal with the safety of electrical appliances and wiring. Although you do not have to meet these regulations by law, if our policy says you must follow these, we will tell you before you sign this agreement.
- 9 We strongly recommend that you tell your insurers when we let the property for you. You should get specific advice from an insurance professional about insurance cover that makes sure that you and we are not responsible if the tenant or any visitors are injured in the property. You should get advice about all other insurance needs from an insurance professional before you let your property. We do not provide advice on insurance matters, and you are responsible for making sure that you are covered for all events. Our tenancy agreement says that you are only responsible for your tenant's belongings if they are damaged as a result of your actions.
- 10 If there is a garden you need to tell us how you expect the tenants to maintain it. We need to make sure that this becomes a condition of the tenancy. We suggest the following options.
 - The garden must be maintained according to the time of year. We recommend this if there is not much garden and it just needs to look tidy.
 - The tenant must mow the lawn, trim the hedges and weed the garden regularly. We recommend this if here is a lawn and some hedges. You must provide the garden tools the tenant will need for this, have a residual current device-protected electrical supply (an electrical supply with a circuit breaker to prevent electrocution) and provide safety gloves.
 - You provide a gardener and pay the cost of this. We recommend this if the gardens are landscaped. The Office of Fair Trading says that tenants do not have a long-term benefit from the garden, so you should pay the greater share of the cost, as you get the long-term benefit.
- 11 You need to tell us if there are any restrictions in your lease or freehold documents, for example, conditions preventing you from parking caravans or commercial vehicles on the drive. Some may prevent you from letting the property, or restrict the age of the tenant. If you do not tell us about these restrictions, and a tenant then leaves because of them, you will still be responsible for our fees and may have to pay the tenant damages.



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- 12 When we are ready to advertise the property, we will use our database of possible tenants, advertise the property on our website and various internet property portals, including twitter and facebook, and put the details in our window. We will do any or all of these depending on market conditions.
- 13 We will give you advice about the rent you are likely to get for the property, and agree a rental figure at which we will advertise the property.
- 14 We will show possible tenants around the property. You must give us keys to all parts of the property to allow us to do this.
- 15 You must tell us about any items that are currently in the property but which will not be included in the new tenancy. If you have any items in the property that are valuable or sentimental value to you, we advise that you remove them before we show people around.
- 16 You must tell us beforehand about any tenants you may not want, for example, smokers, people with pets, and people on Housing Benefit and so on.
- 17 When we find a suitable tenant, we will contact a credit reference agency to make checks about them and their guarantor where applicable (a person who will promise to pay their rent if they fail to do so). The agency will search to see if the tenant has any County Court Judgements against them and that they are on the electoral roll at the address they have given us. Please remember that references give details of their past behaviour. They do not guarantee that the tenant will pay their rent in the future. We will also get proof of their current earnings, and ask their employer to confirm that their employment is likely to continue for as long as the tenancy lasts. We will not be responsible for any tenant references as long as we have acted with reasonable care and skill in carrying out our responsibilities under this contract.
- 18 We will tell you when we find a suitable tenant and ask you for instructions about the length of tenancy you want us to offer them, and the date you want the tenancy to start. We will prepare an assured shorthold tenancy in line with your instructions, and get all the tenants to sign it. You give us permission to sign all legal documents in connection with matters arising from the tenancy agreement on your behalf, except possession summonses.
- 19 We will take the first months rent in advance and at least one months rent as a deposit or the amount you have specified. We can pay you the deposit once you agree to protect the deposit in an approved scheme within 30 days from the date we received the deposit. (See point 26 For New Deposit Legislation)
- 20 You agree to pay our fees and expenses in full within seven days of receiving a demand for payment.
- 21 You agree to pay us any legal costs and damages we suffer as a result of you breaking any of our responsibilities as Landlord.
- 22 Our fees for this tenant find service are £60 to advertise and two weeks rent plus VAT minus the initial £60 advertising fee on finding a tenant. We will take the fees from the money we receive from the tenant, and send you the balance. We will add VAT at the rate that applies at the time. Please refer to our Charges Schedule for full details.
- 23 This agreement will end immediately if you withdraw your instructions before we find a tenant. Once we find a tenant who meets the conditions we and you have agreed, you must pay us the agreed commission.
- 24 You will have to pay our reasonable expenses if you do not deal with the issues raised in paragraphs 4 to 11, or if you let the property through another agent without telling us, and we have also found a tenant for you. You will also have to pay our fees if you offer a tenancy to anyone we have introduced to the property. If you withdraw this instruction, and we have had to return an administration charge to a possible tenant as a result, you agree to repay us that administration charge.
- 25 The Government has revised the penalty rules which apply if you fail to comply with the statutory requirements when you take a deposit from a tenant. The new rules are to come into force on the 6th April 2012. They will affect deposits which you are already holding if you have not already complied with the existing requirements. They apply to all new deposits as well.



Date:

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26 Deposit Scheme Rules

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- A. Deposits under Assured Shorthold tenancies must be protected within 30 days of receipt
- B. The tenant/s (and anyone else paying towards the deposit e.g. a parent) must be given the prescribed information within 30 days of you receiving the deposit. N.B. This is not just a copy of the official receipt that you will receive from the scheme administrator see below. You must give the tenant/s (and anyone else paying towards the deposit) a copy of the relevant schemes tenants leaflet as well.
- C. Failure to comply within the new 30 day time limit means that you could have to pay a penalty of between one and three times the amount of the deposit. There is no provision allowing any extension of time.
- D. If you fail to protect the deposit within the 30 day time limit once it applies you cannot use a Section 21 notice to evict the tenant so long as you are holding the deposit, unless there has been a Court Order dealing with the penalty or the deposit has been returned. You can get your Section 21 rights back by returning the deposit in full. Alternatively, you can return it with deductions so long as the tenant/s agree these deductions.
- E. Assuming that you have protected the deposit within 30 days but have not given the prescribed information within the 30 days allowed, you cannot serve a Section 21 notice to end the tenancy until the prescribed information has been given.
- F. Even if you get your Section 21 rights back as outlined above, you are still liable to pay a penalty if one is claimed.
- G. Penalties for non-compliance can now be claimed even once tenancies have ended so that former tenants can claim for up to six years and a claim can be made even if the deposit has been refunded (unless the tenancy has already come to an end no later than the start date in April 2012).
- H. The 30 day period starts on the day of receipt of the deposit. This day is included in working out the 30 day period (even if the tenancy starts later). The day the scheme notifies you that the protection is effective is the key date and, in the case of prescribed information, it is the date that it has actually given to the tenant/s (and any third paying towards the deposit) which is crucial.
- I. Cleared funds may be needed in order to effectively protect the deposit whether to pay over the deposit itself or any fee required to protect it (depending on which scheme you use) so allow long enough for this and do not leave things to the last minute.
- J. The new rules will apply to deposits which you are already holding when they come into force. You will be allowed 30 day period of grace from the start date to protect these deposits and/or give the prescribed information if you have not done so already. Failure to comply will mean that the new penalty/Section 21 rules will apply in the same way as they do to new deposits.

If you are unsure of any of the Deposit Scheme rules please speak to a member of Montrose Staff

We have the right to transfer this agreement, as long as your rights are not significantly affected. I agree to the terms and conditions above and confirm that I have had the opportunity to get legal advice about my responsibilities under this agreement.

Tour Signature		 	 	. Date	/	/
Signed on bob	alf of amount			Date:	/	/