

LANDLORD INFORMATION PACK

ABOUT US

” There are few things in life as personal as your home, choose a letting agent with the same passionate approach to your property as you”

A 51-year-old, family man Tim Bennett has nearly thirty years direct experience at every level of the Bath property market.

This means there are few situations or market conditions he has not personally encountered and successfully overcome for his clients.

In his time, Tim has experienced many different approaches in the industry. Among other employments he managed for nearly seven and a half years the offices of Bath’s oldest estate agents ‘Pritchard and Partners’. Tim also worked locally, for more than 10 years, for Andrews Estate Agents the country’s largest independent agent in Bath, Bristol and South Gloucestershire.

Such diversity of experience provides an interesting and unique overview of the local marketplace and industry in general.

PRIOR TO MARKETING

We will arrange a day and time to visit the property you wish to let. We will give you a realistic assessment of the rent you should expect from the property. This valuation service is free.

We will discuss with you the aspects of today’s market and the pros and cons of letting a furnished or unfurnished property, as well as any other points you wish to raise; marketing, term of tenancy, type of tenancy, etc.

When you have decided which level of service is best for your requirements, we will ask you to complete the information on the last two pages. Please return only the completed pages of this pack to us and retain all other information for your records. All legal owners of the property must sign this document.

FINDING A TENANT

We have many applicants registered with us, looking to rent in this area. As your agent we will give details of your property to our existing applicants, advertise your property on our website (promoted by the ten most recognised search engines) and advertise wide on all the major “property portals” including Zoopla, Rightmove, Find a Property and PrimeLocation. We will market the property, select and introduce a tenant subject to references and status.

Once we have found a tenant (subject to references) we will ask the tenant for a holding deposit. Once this payment is received we will consider the property reserved.

VETTING THE TENANT

After reserving the property we will then commence referencing the tenant. In order to do this we will obtain a reference from their employer, previous landlords and carry out a credit check on their financial background. Any person applying to rent a property through us must provide two forms of identification including passport or photo driving license and, a recent utility bill or bank statement.

On receipt of satisfactory replies to all these, we will have the agreement prepared and have it signed. The landlord (or ourselves as agent on the Landlords behalf) also have to sign the agreement.

THE TENANCY AGREEMENT

The most common form of tenancy agreement used is an 'Assured Shorthold' under the 1988 Housing Act (amended 1996 & 2004). This type of tenancy offers both flexibility to both landlord and tenant. The agreement runs from 12 noon on the agreed dates, unless agreed otherwise. Under the full management option we deal with the tenancy from start to finish including ensuring preparation of the property prior to commencement of tenancy through to checking the tenants out of the property at the end. If the property is unmanaged the landlord will be responsible for ensuring the property is ready for the tenancy and for checking the tenant out at the end of the tenancy, however we are always available to advise our landlords where ever possible. The tenancy agreement makes provision for a landlord, or his agent, or someone authorised to act on his behalf has a right to view the property to assess its condition and to carry out necessary repairs or maintenance at reasonable times of the day subject to provide 24hrs notice of entry (except in an emergency). The tenancy agreement states that we may arrange viewings on the property once notice has been given by either landlord or tenany subject to providing at least 24hrs notice. This gives us the opportunity to re-let the property with the minium possible empty period in between tenancy, subject to the landlord's instruction.

GAS SAFETY REGULATIONS

The Landlord is required by the Gas Safety (Installation and Use) Regulations 1994 to ensure that all gas appliances are maintained in good order and that an annual safety check is carried out by a tradesman who is registered with the Gas Safe Register. Under the full management option, the above will be arranged on an annual basis, copies will be given to the tenants and held by us in accordance with the regulations. For unmanaged properties the landlord will be responsible for arranging the above and issuing a copy to the tenant within 28 days of each annual check.

ELECTRICAL EQUIPMENT SAFETY

Unlike the gas safety regulations there is currently no specific legislation, which applies to enforce regular electrical checks, though in practice landlords are under an obligation to make sure systems are safe. As a responsible letting agent we do advise landlord to at least ensure a portable appliance test (PAT) is completed prior to commencing a tenancy agreement. Under the full management option, the above will be arranged on an annual basis. We would also strongly advise that a full inspection of the electrical systems are carried out at least every 5 years.

REPAIRS AND RENOVATIONS

We are able to offer a full restoration and renovation program in association with a number of local contractors who in turn offer excellent rates, reliability and a high standard of workmanship. These works can include electrics, kitchens, bathrooms, carpets, decorating, plumbing, furnishing etc. Please note that all building works carried out on residential property must now comply with the 2004 amendment to the Building Regulations Part P.

Full written quotations will be obtained and agreed prior to any works commencing. The cost for arranging any of the above service will be 10% plus VAT of the total invoiced amount.

TERMS & CONDITIONS

This agreement is made between the landlord of the property (as named at the end of this agreement) and Tim Bennett and Associates who agree to act for the Landlord and are hereinafter referred to as “we” or “Tim Bennett and Associates”. The purpose of this document is to set out clearly and concisely the extent of the letting and management service offered and the scale of fees charged.

STANDARD MANAGEMENT SERVICE

Tim Bennett and Associates provides a property management service to owners wishing to let out their property. The standard fee for the management is taken as a percentage of the gross rents due for the period of the tenancy.

The Standard Management Service is as follows: -

1. Advise on expected rental income.
2. Advertise and market the property.
3. Interview prospective tenants and take up full references including employer, previous Landlord character reference and a credit check. Where necessary, additional security would be requested by means of guarantor. In the case of a company let, a full bank reference would be required.
4. Prepare the tenancy agreement necessary for the landlord to gain protection of the relevant Rent and Housing Acts and renewing the agreement where necessary at the end of the term.
5. Liaise with a landlord's mortgagees where necessary concerning references and tenancy agreement.
6. Take a deposit from the tenant to be held until the end of the tenancy when the property and contents have been checked for fair wear and tear.
7. Collect the rent monthly and pay over to our landlord monthly (normally sent within 15 days of collection) less any fees or expenses due or incurred for the period. Payments will be made by direct transfer together with a detailed rent statement.
8. Carry out routine visits of the property usually every three months and carrying out additional visits in the event of defects being reported to us. It should be noted that any such visits and assessments of defects brought to our attention, are of a cursory nature and embrace only apparent or obvious defects and will not amount in any way to a structural or complete survey. Responsibility for the management of empty property is not normally included and will only be carried out by special arrangement.
9. The management service includes the investigation of any defects, which are brought to our attention, including minor repairs, up to a maximum value of £250 for any one item. For major repairs we will arrange estimates, submit these and supervise the work at a fee of 10% of the total cost.

Additional items and other expenses will be charged accordingly to the scale of fees defined on page 7. If there is a change of tenancy during our management, we will arrange cleaning and minor repairs to the property if necessary.

Although our aim is to take every care in managing the property, Tim Bennett and Associates, cannot accept responsibility for non-payment of rent, damage or other default by tenants, or any associated legal costs incurred in their collection. An insurance policy is recommended for this eventuality.

INTRODUCTORY AND REFERENCING SERVICE/RENT COLLECTION SERVICE

Where the landlord does not wish us to undertake full management, we can provide an introductory and referencing service. This service includes only parts 1 to 5 of the standard management service as listed previously. The fee for this service is 75% of the gross rental for the first month of the tenancy subject to a minimum fee of £375-00. The fees are payable at the commencement of the tenancy and will be deducted from monies received on behalf of the landlord. The dilapidation deposit will be paid over to the landlord to retain for the duration of the tenancy. If the tenant leaves prior to the end of the term of the tenancy, the landlord shall not be entitled to reimbursement of any fees paid.

GENERAL AUTHORITY

The landlord confirms that he/she is the sole or joint owner of the property and that he/she 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. In order to verify the above, on submission of completed forms we will require to see two forms of identification including passport or photographic driving license and, bank statement or utility bill. The landlord authorises us to carry out the various duties of property management as detailed 1-13 previously. The landlord also agrees that we may take and hold deposits on behalf of the landlord. It is declared that we may earn and retain commissions on insurance policies issued.

INDEMNITY

The landlord agrees to indemnify us against any costs, expenses or liabilities incurred or imposed on us provided that they were incurred on behalf of the landlord in pursuit of our normal duties. To assist Tim Bennett and Associates in carrying out duties regarding the tenancy effectively, the landlord agrees to respond promptly with instructions where necessary to any correspondence or requests.

MAINTENANCE

The landlord warrants that the property is made available in good and lettable condition and that the property, beds, sofas and all other soft furnishings conform to the current 'Furniture and Furnishings (Fire) (Safety) Regulations 1988'. The landlord agrees to make us aware of any ongoing maintenance problems. Subject to a retained maximum expenditure limit of £250 on any single item or repair, and any other requirements or limits specified by the landlord. We will administer any miscellaneous maintenance work that needs to be carried out on the property (although the administration of major works or refurbishment will incur an addition charge – 10% of the cost of the work). 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 exceed the limits specified. Local Lets endeavours to select competent tradesmen at a reasonable price but is unable to personally guarantee the standard of workmanship, although the landlord retains the right to pursue any claim for substandard work.

OVERSEAS RESIDENTS

If you are a landlord living overseas you will be required to inform HMRC and register as a non-resident landlord. This will indemnify your tenant and us as agents from your tax affairs. If you do not do the above, we are obliged by the Taxes Management Act (TMA) 1970 to deduct tax (at the basic tax rate) to cover any tax liability. In this situation, we also request that the landlord appoints an accountant or reserves to us the right to employ a suitably qualified accountant in order to manage correspondence with HMRC. Administration expenses may be charged for further work requested by the landlord, the landlord's accountant or HMRC in connection with such tax liabilities. In many cases, landlord's tax liability is minimal when all allowable costs are deducted.

COUNCIL TAX

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 vacant, the responsibility for paying the council tax lies with the landlord. If the property is unfurnished the property is normally exempt from Council Tax

SERVICES

The landlord who is personally vacating the property must notify the utility companies of their move and their forwarding address. In many cases, the service companies (e.g. British Gas) require that the new occupiers formally request and authorise the service therefore it is usually not possible for us to do this on the tenant's or landlord's behalf. Tenants must also provide proof of payment of accounts at the end of any tenancy providing a closing meter reading and forwarding address. Landlords should take care to inform all parties (e.g. banks, clubs, societies etc) of their new address; it is not always possible to rely on tenants to forward mail and we would advise that you arrange for mail to be redirected.

SCHEDULE OF CONDITION / INVENTORY

We would advise this is an absolutely essential document that provides a written benchmark, which should be amended, updated and recreated before the beginning of each new tenancy. An inventory details the fixtures and fittings and describes their condition, and that of the property generally. Landlord and tenant share the costs involved in preparing and checking the inventory; such costs should be seen as a necessary investment that helps protect the interests of both landlord and tenant. We will prepare an inventory for the property and a charge will be made for this as detailed on the scale of fees. The standard inventory will include all removable items in the property (except those of negligible value) plus carpets, paintwork, wall coverings, curtains, mirrors, sanitary ware, and other articles that, in the opinion of Tim Bennett and Associates, need regular checking. Landlords should not leave any articles of exceptional value (either monetary or sentimental) in the property without prior arrangement with us.

TENANCY AGREEMENT

We will prepare the tenancy agreement in Tim Bennett and Associates standard form(s) and provide of a copy of this agreement to a designated advisor or building society where requested. Should the landlord, his advisors or mortgagors require amendments of the contract or require us to enter into further work or correspondence, a fee for this extra work may be requested. It is agreed that the we may sign the tenancy agreement(s) on behalf of the landlord. The landlord's contribution for the preparation of the tenancy agreement is £96-00(including VAT). This is included free of charge if using our management service. A draft copy is available on request.

PROPERTY VISITS

Under the standard management service, we will carry out visits on a regular basis. It is not the intention to check every item of the inventory at this stage; the visit is concerned with verifying the good order of the tenancy (i.e. house being used in a 'tenant like' manner) and the general condition of the property. This would normally include inspecting the main items (carpets, walls, cooker, main living areas and gardens). Where these were felt to be unsatisfactory, written notification will be made to the tenant advising of noted required improvements followed shortly by a further visit.

Following the departure of tenants, a final visit of the property is carried out by us. Testing of all the electrical appliances, heating system and plumbing is not feasible during this visit; a qualified contractor should be appointed for this purpose, should the landlord require it. Any deficiencies or dilapidations would normally be submitted to the landlord together with any recommended deductions or replacement values. Subject to agreement, any claim of £3,000 or less may be referred to arbitration with the Royal Institute of Chartered Surveyors, any costs being shared by Landlord and tenant, or as directed by arbitrators.

HOLDING PAYMENTS AND DEPOSITS

A holding Payment is taken from a tenant applying to rent a property. The purpose of this payment is to verify the tenant's serious intent to proceed, and to protect us against any administrative expenses (taking out bank references, conducting viewings, re-advertising) that may be incurred should the tenant decide to withdraw their application. The payment does not protect the Landlord against loss of rent due to the tenant deciding to withdraw or references proving unsuitable. Early acceptance of rent from the applicant would not be advisable until satisfactory references have been received.

Upon signing the tenancy agreement, we will take a dilapidations deposit from the tenant(s) in addition to any rents due. The purpose of the dilapidations deposit is to protect the Landlord against loss of rent or damage to the property during the tenancy itself. These deposits are held by The Deposit Protection Service in accordance with the recent changes to the Housing Act 2004, for further information please visit www.depositprotection.com or speak with one of our agents.

TERMINATION

This agreement may be terminated by either party by way of two month's written notice. The minimum fee applies (£250) if on termination the total fees due are less than the minimum fee. A placement fee equivalent to one month's rent will be payable where the landlord intends to continue letting to tenants introduced by us after the termination of this agreement. Where cancellation of this agreement is unavoidable due to circumstances beyond the control of either party, the minimum fee will not apply and any pre-payments will be returned to the person entitled to them, less any expenses reasonable incurred to the date of cancellation. The landlord shall provide us with any requirements for return and repossession of the property at the earliest opportunity.

Landlords should be aware that any tenancy agreement entered into on the landlord's behalf is a binding legal agreement for the term agreed. Details of any tenancy agreement being entered into will be communicated to the landlord as soon as possible. Landlords should be aware that the legal minimum notice period to tenants under an assured shorthold tenancy is two months and must coincide with a rent payment date, provided that the initial fixed term has expired.

SAFETY REGULATIONS

WARNING: You should read and understand these obligations.

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 the property. For part/fully furnished property, with respect to the safety of furniture and soft furnishings provided. The following regulations apply: -

- Furniture and Furnishings (Fire)(Safety) Regulations 1988 – General Products Safety Regulations 1994
- Gas Safety (installation and Use) Regulations 1994 – Gas Cooking Appliances (Safety) Regulations 1989
- Electrical Equipment (Safety) Regulations 1994 – Plugs and Sockets (Safety) Regulations 1994

The landlord confirms that he/she is aware of these obligations and that Tim Bennett and Associates have provided sufficient information (via explanatory leaflets available on request) 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 the above regulations. We shall ensure that all relevant equipment is checked at the beginning of the tenancy or during the tenancy as required. The landlord agrees to indemnify us against any reasonable expenses or penalties that may be suffered as a result of non-compliance of the property to fire and appliance safety standards.

INSTRUCTIONS

It is agreed that any instructions to Tim Bennett and Associates from the landlord regarding termination, proceedings, major repairs, payment, service contracts, insurance or other significant details regarding the letting be confirmed to us in writing.

SALE OF PROPERTY

In the event of a party introduced by Tim Bennett and Associates (or any person or body corporate associated with that party) subsequently purchasing the property, whether before or after entering into a tenancy agreement, commission shall be payable by the landlord to us on completion of the sale at the rate of 1.25% of the sale price, plus VAT (if applicable).

INSURANCE

The landlord shall be responsible for the property being adequately insured and that the insurance policy covers the situation where the property is let. Please let us know if there are any exclusions in your insurance policy.

HOUSING BENEFIT

The landlord undertakes to reimburse us for any claims arising from overpayment, which may be made by the local authority in respect of housing benefit, or other benefit scheme, paid to or on behalf of the tenant(s) as rent. This undertaking shall remain in force during the tenancy and up to six years thereafter, whether or not we continue to be engaged to let or manage the property under this agreement.

LEGAL PROCEEDINGS

Any delays of payment or other defaults will be acted on by Tim Bennett and Associates in the first instance. Where we have been unsuccessful in these actions, or there are significant rent arrears or breaches of the tenancy agreement, the landlord will be advised accordingly. A solicitor would then be appointed and instructed by the landlord (except where we are unable to contact the landlord, in which case we are authorised to instruct a solicitor on the landlord's behalf). The landlord is responsible for payment of all legal fees and any related costs.

SCALE OF FEES

All fees are subject to VAT at the prevailing rate as set by the Government

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| STANDARD MANAGEMENT SERVICE: | 12% |
| INTRODUCTION AND REFERENCING ONLY SERVICE: | 75% of 1st Month's Rent |
| | (min Fee £250) |
| Preparation of Tenancy Agreement | £96 |
| Tenancy Agreement Renewal | £72 |
| Issuing of Official Notices | £60 |
| Schedule of condition/Inventories (landlord contribution) | £90(New) £54 (update) |

ALL FEES INCLUDE VAT AT THE CURRENT RATE (20%)