

# **Terms of Business**

for the appointment of Sulets as agent to advertise, let and/or manage residential property

Once signed by the parties and dated by the Agent, this document will be **LEGALLY BINDING** <u>Read it carefully before making a commitment</u>

BETWEEN:	
(1)	

(1) (2) Landlord's Name:	Landlord's Address:	
(2) Landiord's Name.	Landiol d'S Address.	
(" <b>Landlord</b> ") and		

(3) STUDENT UNION LETTINGS LIMITED (company registration number 08140750), whose registered office is at First Floor Campus Centre Building, Mill Lane, Leicester, Leicestershire, LE2 7DR ("Agent")

#### PART A – SPECIFIC TERMS AND CONDITIONS

#### 1 Introduction

- 1.1 This Contract incorporates the Agent's standard terms and conditions of business September 2019 edition (referred to in this Contract as the "standard terms").
- 1.2 The Landlord has had the opportunity to read the standard terms, and a further copy of them is available from the Agent on request or to view and download at <u>https://www.sulets.com/property-owners-area/</u>
- 1.3 If they appear in the middle of a sentence, words in this Contract with an initial capital letter will have the meaning given to them in the standard terms.
- 1.4 This Contract records the Service package that the Landlord requires the Agent to provide and the remuneration payable to the Agent in return. Matters that are of general application to all the Agent's landlord clients are set out in the standard terms.
- 1.5 This Contract will become binding on the parties (subject to any provisions for cancellation or early termination in the standard terms) when it has been signed by or on behalf of the Landlord, and counter-signed and dated by the Agent.
- 1.6 By entering into this Contract, the Landlord and the Agent agree to comply with the specific terms in this document and with their respective obligations in the standard terms.

#### 2 Property

This Contract relates to the Landlord's dwelling known as

#### 3 Service package

3.1 The Landlord requires the Agent to provide the (place X in the appropriate box)

Let-Only Service as described in clause 5.2 and 5.3 of the standard terms

Managed Service, as described in clause 5.4 of the standard terms

Premium Service, as described in clauses 5.5 to 5.8 of the standard terms.

<sup>&</sup>lt;sup>1</sup> Sulets to insert date after both parties have signed

- 3.2 Subject to clause 3.3, the Agent agrees to provide the selected Service on the standard terms, in exchange for the Fees.
- 3.3 If the Landlord requires the Premium Service and a Tenancy Agreement for the Property has not been concluded by the 30 June prior to the anticipated letting period:
  - 3.3.1 the Landlord may terminate the Contract as provided in clause 16.4 of the standard terms but, if the Landlord does not do so
  - 3.3.2 the Agent will provide the Managed Service as described in clause 5.4 of the standard terms.

#### 4 Fees

4.1 The Fees for the Service packages are:

#### 4.1.1 Let-Only Service

- When a Tenancy Agreement for the Property is concluded, a set-up fee of 90% (75% + VAT) of the first month's rent payable under that Tenancy Agreement.
- (b) If and when a Tenancy Agreement for the Property is renewed, a set-up fee of 90% (75% + VAT) of the first month's rent payable under each renewal Tenancy Agreement (but if at least half of the original tenants enter into a renewal Tenancy Agreement the set-up fee for that renewal Tenancy Agreement will be reduced to £200 + VAT).

#### 4.1.2 Managed Service

- (a) When a Tenancy Agreement for the Property is concluded, a set-up fee of 30% (25% + VAT) of the first month's rent payable under that Tenancy Agreement (minimum chargeable £300).
- (b) If and when a Tenancy Agreement for the Property is renewed, a set-up fee of 30% (25% + VAT) of the first month's rent payable under each renewal Tenancy Agreement (but if at least half of the original tenants enter into a renewal Tenancy Agreement no set-up fee is payable for that renewal Tenancy Agreement).
- (c) For one dwelling belonging to the Landlord on the Managed Service, a management fee of 13.2% (11%+VAT) of the rent due under the Tenancy Agreement for that dwelling, payable by instalments to coincide with the rent payment dates in the Tenancy Agreement.
- (d) For each additional dwelling belonging to the same Landlord a management fee of 12% (10%+VAT) of the rent due under the Tenancy Agreement(s) for the additional dwelling(s), payable by instalments to coincide with the rent payment dates in the Tenancy Agreement.

# 4.1.3 Premium Service

- (a) There is no set-up fee or management fee. The Landlord agrees to let the Property to the Agent when the Agent has found suitable prospective occupiers, and instead of set-up and management Fees, the Agent is entitled to keep the difference between the rent reserved by the Lease and the rent payable by the occupiers.
- (b) If the Agent finds occupiers for the Property and the Landlord does not enter into a Lease the Landlord will pay the Agent the Managed Service set-up fee (see clause 3.1.2(c)).
- 4.2 The Landlord agrees to pay the Agent the applicable Fees for the Services.
- 4.3 The Fee for the Service package does not include anything stated in the standard terms to be "at the Landlord's expense" or where this Contract (including the standard terms) states that an additional Fee is payable.
- 4.4 The Agent shall have no obligation to provide anything which is not included in the applicable Service package, unless agreed between the Landlord and the Agent in writing.
- 4.5 The Agent may (in its discretion and at the Landlord's cost) arrange testing, licensing or certification if the Landlord has not done so and such testing, licensing or certification is necessary to enable the Agent lawfully to arrange a tenancy of the Property.
- 4.6 If the Agent carries out any of the following additional services on the Landlord's behalf the Landlord will pay the Agent the applicable Fees as set out in the table below. Fees for any other additional services shall be as negotiated and agreed in writing.

Gas Safety Certificate	£75 (includes an arrangement fee of £30) for boiler or first appliance, additional appliances at a price to be agreed
Gas Safety Certificate & boiler service	£96 (includes an arrangement fee of £41)
EPC	£84 (includes an arrangement fee of £24)
PAT Test	£48 (includes an arrangement fee of £18)
Legionella Risk Assessment	£78 (includes an arrangement fee of £18)
Electrical Installation Certificate	£240 (includes an arrangement fee of £24)
Preparing HMO licence	£240 plus the cost of the Licence
Attendance at Court on behalf of Landlord	£200

4.7 The Agent's Fee for arranging repairs and maintenance is 12% (10% + VAT) of the total cost of the works in addition to the cost of the works).

#### 5 Cooling-off Period

The Landlord would like the Agent to start providing the Service as soon as possible, and accepts that this Contract cannot then be cancelled without charge.

The Landlord would like to take advantage of his right to cancel within 14 days after the date of this Contract, in which case the Agent will not start providing the Service until after the Cancellation Period has expired.

SIGNED by the Landlord (if an individual) and on behalf of all co-owners if more than one

	Signature:
or SIGNEI	<b>D</b> for and on behalf of the Landlord (if a company or organisation)
	The Landlord
	Name:
	Signature:
SIGNE	<b>D</b> for and on behalf of
	Student Union Lettings Ltd
	Name:
	Signature:

# PART B – STANDARD TERMS AND CONDITIONS OF BUSINESS (2019 Edition)

# 1. Definitions and interpretation

1.1 In this terms and conditions, the following words and expressions shall have the meanings given to them in this clause:

"Cancellation Period" means the period starting on the Contract Date and expiring 14 days after (but not including) the Contract Date.

"Contract" means an agreement for the supply of Services made between the Landlord and the Agent, incorporating these terms and conditions.

"Contract Date" means the date that the Landlord and the Agent enter into a Contract;

"Deposit" means money paid by the Tenant to the Agent, to be held as security for the performance of any obligations of the tenant, or the discharge of any liability of the tenant, arising under or in connection with a tenancy (which will be £250 per occupier, unless a different figure is specified in the Tenancy Agreement);

"EPC" means an energy performance certificate as described in Regulation 9 of The Energy Performance of Buildings (England and Wales) Regulations 2012;

"Fees" means fees, commission, and other remuneration payable by the Landlord to the Agent for the Services in accordance with the Contract and the reimbursement of any expenses the Agent has incurred on the Landlord's behalf in accordance with the Contract;

"GSC" means a gas safety certificate (which is a record, as described in Regulation 36(3)(c) of the Gas Safety (Installation and Use Regulations) 1998, of a recent safety inspection of gas installation and appliances);

"Lease" means an agreement for lease of the Property in the Agent's standard form (available to view at <u>https://www.sulets.com/property-owners-area/</u>), between or to be entered into by the Landlord and the Agent as part of the Premium Service when a tenant has been found for the Property.

"Property" means the dwelling which is the subject of a Contract and includes the Landlord's fixtures, furnishings and contents in the dwelling;

"Services" means the package of services the Agent has agreed to provide on the Landlord's behalf in relation to the Property, as indicated in the Specific Terms, and any additional services that the Agent has agreed (in writing) to provide at the Landlord's request or which the Agent is authorised to carry out in accordance with the Contract;

"Specific Terms" means Part A of the Contract.

"Tenancy Agreement" means a tenancy agreement relating to the Property on the Agent's applicable standard form made or to be made (in the case of the Let-Only Service and the Managed Service) between the Landlord and actual or prospective occupiers of the Property or (in the case of the Premium Service) between the Agent and the actual or prospective occupiers of the Property.

- 1.2 Words and expressions defined or described in the Specific Terms shall have the same meanings when used in these terms and conditions.
- 1.3 Unless the context otherwise requires, a reference to the Property is to the whole and any part of it.
- 1.3 Unless otherwise specified, a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time and shall include all subordinate legislation made from time to time under that statute or statutory provision and all orders, notices, codes of practice and guidance made under it.
- 1.4 A person includes a natural person, corporate or unincorporated body (whether or not having a separate legal personality).
- 1.5 A reference to writing or written includes fax and email to the addresses given in the Contract, or as subsequently notified in writing (referring to the Contract) to the other party.
- 1.6 Unless the context otherwise requires, references to clauses are to the clauses in these terms and conditions.
- 1.7 Clause headings shall not affect the interpretation of these terms and conditions.
- 1.8 Attached schedules form part of the Contract.
- 1.9 Unless the context otherwise requires, a reference to one gender shall include a reference to all genders.
- 1.10 Unless the context otherwise requires, words in the singular shall include the plural and words in the plural include the singular.
- 1.11 Where there is any conflict between these terms and conditions and terms that have been specifically agreed in writing between the parties, the terms that have been specifically agreed shall prevail.

# 2. Appointment

- 2.1 The Agent is appointed on the Contract Date.
- 2.2 The Agent will start to perform the Services 14 days after the Contract Date unless the Landlord requests the Agent to begin performing the Services immediately.
- 2.3 The Agent will perform the Services:
  - 2.3.1 with reasonable skill and care and in good faith;
  - 2.3.2 having regard to the Landlord's interest in the Property;
  - 2.3.3 in compliance with all applicable legislation, rules and regulations;
  - 2.3.4 in accordance with the principles of good estate management; and
  - 2.3.5 in accordance with deadlines and timescales agreed between the Landlord and the Agent.
- 2.4 In exchange for the Services, the Landlord will pay the Fees to the Agent.

#### 3. Fees

3.1 Liability to pay Fees for a Service package arises when the Agent concludes a Tenancy Agreement for the Property.

- 3.2 Liability to pay Fees for additional Services arises when the Agent carries out the applicable Service.
- 3.3 Fees are payable within 14 days of the Agent's invoice, unless otherwise stated in the Specific Terms.
- 3.4 The Agent may deduct the Fees to which it is lawfully entitled from the rents it receives from tenants.
- 3.5 If the rents received by the Agent from tenants are less than the Fees lawfully due to the Agent in any rental period, the Landlord will pay the shortfall in Fees to the Agent within 14 days of the Agent's invoice.
- 3.6 If, on the date the occupier is entitled to take possession, the Property is not
  - 3.6.1 available with vacant possession and
  - 3.6.2 in the condition required by the Lease (Premium Service) or Tenancy Agreement (Let-Only and Managed Service), and

as a result the prospective occupier does not take possession, the Fee will still be payable to the Agent as if the Tenancy Agreement had started on its contractual term commencement date and continued until its contractual expiry date

3.7 If, through no fault of the Agent, the occupiers terminate their Tenancy Agreements before they expire (for example if there is serious damage or disrepair to the Property, or if the Landlord invades the tenant's privacy) the Landlord will remain liable to pay the Fees to the Agent as if the Tenancy Agreement had continued until its expiry date.

# 4. General Authority and Warranties

- 4.1 The Landlord authorises the Agent to perform the Services in the name of and on behalf of the Landlord and authorises the Agent to gain access to the Property to the extent necessary for that purpose.
- 4.2 The Landlord agrees, warrants and represents that:
  - 4.2.1 He is entitled to enter into an agreement with the Agent for the Services on these terms and conditions.
  - 4.2.2 He is either:
  - (a) the sole freehold or sole leasehold owner of the Property; or
  - (b) authorised by all joint freehold owners or all joint leasehold owners to let the Property;
  - 4.2.3 If the Landlord's interest in the Property is leasehold, he has obtained the consent of his own and any superior landlords whose consent is required to enable the Property to be lawfully sub-let;
  - 4.2.4 If the Property is subject to a fixed charge or mortgage, he has the consent of the lender to let the Property;
  - 4.2.5 He is entitled to receive the rent from the Property (either on his own account or on behalf of himself and all the co-owners);
  - 4.2.6 He has given the Agent all relevant information regarding the Property;

- 4.2.7 The information which the Landlord has provided to the Agent, including the description of the Property, is true, accurate and not misleading;
- 4.2.8 The Landlord has provided the Agent with all relevant information about the Property which a reasonably prudent tenant would wish to consider when making an informed decision whether to rent the Property;
- 4.2.9 The Property is insured against fire, explosion, subsidence, adverse weather, escape of water, things dropping from the air, vehicle impact, theft, riot, civil commotion and malicious damage; the Landlord has informed the insurer that the Property is to be let to students; and letting the Property does not invalidate or otherwise adversely affect such insurance;
- 4.2.10 He will comply with all the obligations and covenants imposed on the Landlord in any Tenancy arranged by the Agent;
- 4.2.11 The Property complies with the SULETS Code of Standards for Shared Student Housing (see <u>https://www.sulets.com/property-owners-area/</u>);
- 4.2.12 The Property has a current licence if one is required for the Property under the Housing Act 2004 (or subsequent or similar legislation);
- 4.2.13 The Property has planning permission if required to enable the Property to be let as a residence shared by people who do not form a single household;
- 4.2.14 If the Landlord fails to comply with his obligations in the Contract or otherwise causes the Agent to suffer loss or incur expense by the Landlord's action, omission or neglect, the Landlord will be liable to pay the Agent on an indemnity basis<sup>2</sup> the Agent's costs (including legal fees, court fees and other professional fees, VAT and out-of-pocket expenses) incurred by the Agent in enforcing the Contract or remedying the Landlord's breach.
- 4.3 The Landlord authorises the Agent to commission any or all of the following at the Landlord's expense if the Landlord has not provided them within 14 days of the Contract Date:
  - 4.3.1 EPC
  - 4.3.2 GCS if one is required for the Property
  - 4.3.3 HMO licence if one is required for the Property
  - 4.3.4 Portable appliance testing
  - 4.3.5 Legionella risk assessment
  - 4.3.6 Electrical installation certificate

<sup>&</sup>lt;sup>2</sup> Note for landlords: "on an indemnity basis" means the Agent is to be given the benefit of any doubt as to whether the costs were reasonably incurred or whether the costs were reasonable and proportionate in amount.

# 5. The Services

5.1 The Contract will set out whether the Landlord requires the Let- Only Service, the Managed Service or the Premium Service. Those Service packages shall be as described in these terms and conditions. Fees for Service packages do not include fees for arranging certification, testing, licensing or arranging repairs.

# Let-Only Service

- 5.2 The Let-Only Service is not available if the Property is being advertised by the Agent for the first time.
- 5.3 If the Landlord has selected the Let-Only Service, the Agent agrees to perform, in exchange for the Let-Only Service Fee:
  - 5.3.1 The marketing services set out in clause 6;
  - 5.3.2 The Tenancy set-up services set out in clause 7; and
  - 5.3.3 The Deposit services set out in clauses 8.1 and 8.2 (subject to clauses 8.3, 8.6 and 8.7).

#### **Managed Service**

- 5.4 If the Landlord has selected the Managed Service, the Agent agrees to perform, in exchange for the Managed Service Fee:
  - 5.4.1 The marketing services set out in clause 6;
  - 5.4.2 The Tenancy set-up services set out in clause 7;
  - 5.4.3 The Deposit services set out in clause 8;
  - 5.4.4 The inspection and management services set out in clause 9;
  - 5.4.5 The rent collection and accounting services set out in clause 10; and
  - 5.4.6 The repair and maintenance services set out in clause 11.

#### **Premium Service**

- 5.5 If the Landlord has selected the Premium Service, the Agent agrees to perform the marketing services set out in clause 6.
- 5.6 Once suitable prospective occupiers have been found for a dwelling, the Landlord and the Agent agree to enter into a Lease of that dwelling in the Agent's standard form (which can be viewed at <u>https://www.sulets.com/property-owners-area/</u>).
- 5.7 On completion of the Lease, the Agent will be liable to perform the obligations on the part of the lessee in the Lease. These obligations include services comparable in effect to those of the Managed Service, and additionally paying rent to the Landlord (whether the occupiers pay or not).
- 5.8 The Fee for the Premium Service is the difference between (a) the rent agreed between the Agent and the Landlord under the Lease and (b) the rent agreed between the Agent and the occupiers under a Tenancy Agreement.

# 6. Marketing Services

- 6.1 To procure (at the Landlord's expense) an EPC and/or a GSC for the Property, before the Property is advertised, if one is required by law and the Landlord has not provided one or if the copy provided by the Landlord is out of date.
- 6.2 If any work is required to the Property to obtain an EPC rating of E or higher, or to deal with any hazards identified in the GSC:
  - 6.2.1 the Agent will only arrange that work if the Landlord has selected the Managed Service or the Premium Service, agreed to pay an additional Fee, and agreed that the work will be at the Landlord's expense;
  - 6.2.2 if the Landlord has selected the Let-Only Service, the Agent may postpone advertising until after any remedial work has been done and the Landlord has provided the Agent with an EPC of E or higher and/or (as applicable) an unqualified GSC.
- 6.3 To advise on the rent to be asked for the Property (but the amount of rent actually charged remains in the Landlord's discretion if the Landlord has selected the Let-Only Service or the Managed Service).
- 6.4 To advise on, and obtain the Landlord's approval of, the method of advertising and marketing, and to market and advertise the Property accordingly. The Landlord will pay the Agent the costs of the agreed advertising and marketing within 14 days of demand.
- 6.5 If advertising and marketing costs are not paid by the date they are due, the Agent may deduct them from any money that the Agent becomes liable to pay to the Landlord or delay arranging a Tenancy Agreement for the Property until the costs have been paid.
- 6.6 To obtain the Landlord's instructions on any restrictions on, or criteria to be met by, prospective tenants and (provided those restrictions or criteria are lawful) to follow such instructions and seek appropriate tenants for the Property.
- 6.7 To arrange and attend viewings of the Property with prospective tenants (subject to any current occupier allowing entry and the Property being in a safe and suitable condition for viewing).
- 6.8 To select prospective tenants. The Agent will not normally consult the Landlord regarding the choice of tenant, but will use its own discretion (and this agreement shall therefore constitute a nominations agreement for the purposes of paragraph 12 of schedule 3 of the Immigration Act 2014).

# 7. Tenancy Set-Up Services

- 7.1 To negotiate the rent and duration of the proposed tenancy of the Property with the prospective tenant.
- 7.2 If required by the Landlord, to obtain references and/or a guarantor for prospective tenants. Obtaining references will be subject to an additional Fee to be agreed separately in writing. This Fee is not recoverable from the prospective tenant.
- 7.3 To prepare:
- 7.3.1 In the case of the Let-Only Service and Managed Service, an agreement for the proposed tenancy in the Agent's standard form

7.3.2 In the case of the Premium Service, a Lease;

and to send the Tenancy Agreement or Lease (as applicable) to the Landlord (or their nominee) for approval and signature. The standard form Lease and the standard form Tenancy Agreements are available to view at <a href="https://www.sulets.com/property-owners-area/">https://www.sulets.com/property-owners-area/</a>;

- 7.4 The Landlord agrees to review the proposed Tenancy Agreement promptly and inform the Agent as soon as reasonably practicable whether the Landlord approves the proposed letting. If a prospective tenant changes their mind about renting a home before entering into a Tenancy Agreement, that is at the Landlord's risk.
- 7.5 If the Landlord (or their nominee) requires any amendments (other than corrections) to be made to the proposed Tenancy Agreement or proposed Lease, the Agent shall be entitled to charge a reasonable Fee for drafting or considering alterations. The Agent can decline an instruction for any amendment to the proposed Tenancy Agreement which, in the Agent's opinion (acting reasonably) would be unlawful, prejudicial to the tenants' legitimate interests or potentially damaging to the Agent.
- 7.6 The Landlord's approval and signature of the Tenancy Agreement or Lease (as applicable) shall constitute the Agent's authority to conclude the Tenancy Agreement or Lease and the Agent accepts no liability for any errors or misunderstandings unless they were drawn to the Agent's attention before the Landlord gave his approval.
- 7.7 The Agent will provide the Landlord with an electronic copy of the Tenancy Agreement or Lease when it has been concluded.
- 7.8 To prepare an inventory for the Property at the start of each new tenancy, unless the Landlord instructs the Agent not to do so. The Agent's inventory will include all removable items in the Property (except those of negligible value) plus carpets, paintwork, door fittings, wall coverings, curtains, mirrors, sanitaryware and other articles that, in the opinion of the Agent, need recording. If the Landlord does not have an inventory, it may be difficult to bring a claim against the tenant for damage, cleaning or missing items.
- 7.9 On or before concluding a Tenancy Agreement (and in any event before possession is given to a tenant) to:
  - 7.9.1 collect the Deposit;
  - 7.9.2 provide assured shorthold tenants with *How to Rent: A checklist for Renting in England* (or such publication as may replace it from time to time), a copy of a current GSC for any and each gas appliance at the Property, the EPC, and any licence for the Property issued pursuant to the Housing Act 2004.
- 7.10 To collect the first instalment of rent from the tenant in accordance with the Tenancy Agreement.
- 7.11 To release keys to tenants at the start of their tenancy and to pass on to tenants the information provided by the Landlord about where to find the utility meters, boiler, circuit board and stop-cock taps.
- 7.12 To use reasonable endeavours to ensure that tenants sign and return a duplicate of their inventory/check-in report within 7 days of taking possession (unless the Landlord has given instructions that an inventory is not required).

7.13 To provide Landlords who have selected the Let-Only Service with a copy of the completed Tenancy Agreement and duplicate inventory (if returned by the tenant) within 10 days of the tenant taking possession.

# 8. Deposit Services

- 8.1 If the Tenancy Agreement is for an assured shorthold tenancy, the Agent will register the Deposit with an authorised tenancy deposit protection scheme and serve prescribed information about the Deposit on the tenant (and on any "relevant person" of whose contact details the Agent is aware) within 21 days of receiving a Deposit.
- 8.2 If the Landlord has selected the Let-Only Service, the Agent will provide the Landlord with a copy of the prescribed information and details of the Deposit registration within 30 days of receiving a Deposit.
- 8.3 The Landlord is not entitled to interest on the Deposit.
- 8.4 When a tenant vacates at the end of a Tenancy the Agent will advise the Landlord and inform the tenant about any proposed Deposit deductions. The Agent will use its reasonable endeavours to resolve Deposit disputes with the tenant and Landlord where the Agent has handled the inventory at the start and end of the Tenancy, but not otherwise.
- 8.5 If the Agent cannot resolve a Deposit dispute, or if the Agent was not responsible for the inventory or check-in and check-out reports, the Agent will refer the matter to the appropriate deposit protection scheme for adjudication.
- 8.6 The Landlord acknowledges that the Agent is not permitted to release any of the Deposit to the Landlord unless either (a) the tenant agrees; or (b) the tenancy deposit scheme authorises it or (c) the court orders it. The Agent will be under no obligation to pay any part of the Deposit to the Landlord unless and until one of these conditions has been satisfied (but this will not prevent the Agent from registering the Deposit in the Landlord's name, or transferring the Deposit and Deposit registration to the Landlord in accordance with the rules of the applicable scheme).
- 8.7 The Landlord acknowledges that the Agent is required to refund any undisputed part of the Deposit to the tenant within 30 days of the end of the Tenancy. Where there is a Deposit dispute, the Landlord must provide the Agent with proof of expenditure for any proposed deductions from the Deposit within 21 days of the end of the Tenancy.

# 9. Inspection and Management Services

- 9.1 The Agent will inspect the Property during the Tenancy to check whether the occupiers are complying with the terms of their Tenancy Agreement. The Fee for Inspection and Management Services includes 3 routine inspections during the initial fixed term of a Tenancy. The Agent will notify the Landlord if more frequent inspections are advisable, but more frequent inspections will incur additional Fees, to be agreed and recorded in writing by the Agent and the Landlord.
- 9.2 Routine inspections will not include every item on the inventory, but will include checking that the Property is generally in good order and is being used in a tenant-like manner.
- 9.3 If the Agent does not consider the condition of the Property to be satisfactory, the Agent will carry out a more detailed inspection during their visit or shortly afterwards. If the Agent has cause for concern about the Property, the Agent will inform the tenant and the Landlord and will recommend appropriate action.

- 9.4 The Agent will arrange on the Landlord's behalf and at the Landlord's expense to renew the GSC for each gas appliance at the Property in good time before any current GSC expires.
- 9.5 The Agent will cooperate with such of the Landlord's professional advisers and mortgagees as the Landlord has notified to the Agent in writing, and promptly provide them (at the Landlord's expense) with such Tenancy information in the Agent's possession as the adviser or lender shall reasonably request. It shall not be reasonable for an adviser or mortgagee to request tenants' personal data if the Agent is not prevented by law from releasing it.
- 9.6 The Agent will release keys for the Property to such reputable and competent tradespeople as need access to the Property for the purpose of inspection, maintenance, repair or for any other reasonable purpose which will enable or assist the Agent to provide the Services.
- 9.7 The Agent will oversee the end-of-tenancy arrangements, including:
  - 9.7.1 Check-out inspection;
  - 9.7.2 Tenants' return of keys;
  - 9.7.3 Recommendations to the Landlord for works required before the start of the next Tenancy.
- 9.8 After a tenant has vacated, the Agent will carry out a final inspection of the Property to assess its general condition. The Agent will not conduct a buildings survey or test the electrical appliances, heating system or plumbing during this inspection, or check any areas that are not readily accessible (such as loft spaces), move furniture or lift carpets. The Agent will appoint a competent person to carry out a survey if the Landlord requires, but this will incur additional Fees, to be agreed and recorded in writing by the Agent and the Landlord.
- 9.9 The Agent will report any obvious significant defects to the Landlord together with any recommended Deposit deductions and/or replacement values. The Landlord will promptly review the Agent's report and give clear instructions (in writing, if requested) on further action that the Landlord requires the Agent to take. Depending on the further action required, the Agent may charge the Landlord additional Fees (to be agreed and recorded in writing by the Agent and the Landlord).
- 9.10 Responsibility for and management of the Property when it is empty/vacant is not part of the Inspection and Management Services. The Agent will only undertake empty property management after special arrangement with the Landlord and this will incur additional Fees, to be agreed and recorded in writing by the Agent and the Landlord.

#### 10. Rent Collection and Accounting Services

- 10.1 The Agent will use its reasonable endeavours to collect rent from tenants on the due dates.
- 10.2 The Agent will keep money due to the Landlord in an insured account (Client Account) separate from the Agent's own money (but other customers' money may be kept in the same account).
- 10.3 The Agent shall be entitled to deduct the following from the rents it receives before forwarding the balance to the Landlord:
  - 10.3.1 Fees and any other money which the Landlord is liable to pay the Agent under the Contract;

- 10.3.2 money which the Agent has spent on the Landlord's behalf under powers given in these terms and conditions;
- 10.3.3 any other money the Agent has paid on the Landlord's behalf which the Landlord has authorised in writing;
- 10.3.4 tax under HMRC's Non-resident Landlord Scheme;
- 10.3.5 Fees for any additional services requested by the Landlord that are not included in the package of Services selected by the Landlord in their Contract.
- 10.3.6 The Agent shall pay the net rent (after deducting sums permitted by or due under this Agreement), by BACS transfer to the Landlord within 7 working days of the Agent receiving the rent in cleared funds.
- 10.4 With each payment it makes to the Landlord, the Agent will provide the Landlord with a statement showing monies passing through the Agent's account that relate to the Property.
- 10.5 If the rent collected by the Agent is not sufficient to cover payments due to the Agent, the Agent may invoice the Landlord for the shortfall and the Landlord will pay the invoice within 14 days of the invoice.
- 10.6 The Agent will promptly notify the Landlord if any rent is not paid when it falls due, and will contact the tenant and attempt to obtain payment.
- 10.7 If there are significant rent arrears or other material breaches of the Tenancy agreement, the Agent will ask the Landlord for instructions. If the Landlord requests the Agent to instruct a solicitor or debt collection agency on the Landlord's behalf, the Landlord agrees to pay all third party fees and any related costs within 14 days of demand. The Agent may ask for payment on account, and may delay incurring expense on enforcement action until the Landlord has put the Agent in cleared funds.

#### 11. Repair and Maintenance Services

- 11.1 The Landlord is responsible for structural and other major repairs (such as re-wiring; reroofing; installing damp-proof course; re-pointing; replacement windows), improvements to the Property and maintaining and keeping tidy the garden. The Agent will only accept responsibility for major repairs or improvements that are within the Agent's capability and the subject of a separate written instruction. Such work is subject to additional charges that must be agreed and recorded in writing before the Agent will act on the instruction.
- 11.2 The Landlord is responsible for carrying out a 'spring clean' at the end of each tenancy (windows, curtains, paintwork, light fittings, flooring and carpets), unless a deep clean has been carried out at the outgoing tenants' expense.
- 11.3 It is the Landlord's responsibility to ensure that the Property is available with vacant possession and meets the requirements of the Tenancy Agreement or Lease (as applicable) when the tenant is entitled to take possession.
- 11.4 The Agent will on the Landlord's behalf arrange day-to-day and emergency repairs and maintenance to the Property in accordance with clauses 11.5 to 11.7.
- 11.5 The Landlord authorises the Agent to:
  - 11.5.1 maintain a float of £300 per dwelling (or such higher amount as the Landlord and the Agent may have agreed in writing) out of rents received from tenants;

- 11.5.2 spend the up to the amount in the float without prior notice to the Landlord on any emergency or day-to-day cleaning, repair or maintenance relating to the Property;
- 11.5.3 replenish the float from rent receipts after incurring expenditure;
- PROVIDED THAT
- 11.5.4 the Agent accounts to the Landlord for expenditure as required by clause 10.4;
- 11.5.5 the Agent must obtain the Landlord's prior approval before committing expenditure if any single item is likely to cost more than the money held in the float (in other words, the float must not be used as part-payment for a large item of expenditure);
- 11.5.6 the float must not be spent and replenished repeatedly to pay for damage that is related to a single event (for example, if a water leak damages a ceiling and a carpet, the float should not be used to repair the leak, then topped up to repair the ceiling then topped up again to replace the carpet); in such cases all work relating to the event shall be assessed by the Agent who shall then seek the Landlord's prior written approval before committing expenditure.
- 11.6 If expenditure on a dwelling is required in excess of the amounts held in the Agent's float, the Agent will normally request authorisation from the Landlord before committing expenditure. Where there is risk of serious damage to the Property, injury to people, threat of enforcement action by a competent authority, or some other emergency, the Agent may incur expenditure above the amount in the float if, despite reasonable efforts to do so, the Agent is unable to contact the Landlord to obtain the Landlord's authorisation. In such cases the Agent will not be obliged to spend more than is reasonably necessary to make the dwelling safe and secure and (where reasonably practicable) habitable without first obtaining the Landlord's written instruction.
- 11.7 Unplanned maintenance or inspection visits are not included in the Service package Fee, and additional Fees will apply.
- 11.8 Let-Only Landlords are responsible for arranging their own repairs and maintenance and the Agent will not carry out those functions unless there is a separate written agreement to do so.
- 11.9 The Agent will arrange repairs and maintenance for Managed Service Landlords as part of the Managed Service and the Premium Service, but will charge an arrangement fee of 12% (10% + VAT) of the total cost of the works in addition to the cost of the works).

#### 12. Statutory Compliance

- 12.1 The Agent must comply with all legislation applicable to providing the Services, such as (without limitation) laws relating to health & safety of its employees and others affected by its business, and data protection.
- 12.2 The Agent is responsible for complying with legislation applicable to the Property and tenancies to the extent only that it has agreed to take on a specific responsibility in the Contract (which includes these terms and conditions) or, in the case of the Premium Service, in the Lease.
- 12.3 Except for the specific compliance responsibilities of the Agent as provided in clauses 12.1 and 12.2, the Landlord will, at his own cost and expense, comply with any and all provisions of statutes and subordinate legislation relating to the Property and/or the Tenancy in force from time to time (including, but without limitation, arranging and

complying with any and all safety inspections and/or certificates and/or licences required by law to be carried out from time to time).

- 12.4 If the Landlord has not provided the Agent with any required certificate or licence, or if the copy provided is due to expire within 14 days, the Agent may arrange testing, certification or licensing at the Landlord's expense for a date up to 7 days before the certificate or licence provided by the Landlord is due to expire, without seeking specific authority from the Landlord.
- 12.5 The Landlord shall reimburse the Agent for any sums spent in relation to the Property on statutory testing or certification or licensing and such sums will be deductible from the rent or payable within 14 days of the Agent's invoice.
- 12.6 If the Agent applies for an HMO licence, the application will be made on the Landlord's behalf and the Landlord will be the licensee.
- 12.7 The Landlord indemnifies the Agent against any breach by the Landlord of the terms of the Landlord's HMO licence.

Gas Safety Certificate (Boiler or 1 <sup>st</sup> item)	£75 (includes an arrangement fee of £30) for boiler or first appliance, additional appliances at a price to be agreed
Gas Safety Certificate & boiler service	£96 (includes an arrangement fee of £41)
EPC	£84 (includes an arrangement fee of £24)
PAT Test	£48 (includes an arrangement fee of £18)
Legionella Risk Assessment	£78 (includes an arrangement fee of £18)
Electrical Installation Certificate	£240 (includes an arrangement fee of £24)
Preparing HMO licence	£240 plus the cost of the Licence
Attendance at Court on behalf of Landlord	£200

12.8 The Agent's Fees for licensing, safety testing, certification and attendance at court are as set out in the below

# 13. Letting by the Landlord

- 13.1 If despite entering into the Contract the Landlord lets the Property, or enters into an agreement to let the Property, or finds a tenant for the Property, the Landlord will immediately inform the Agent and the Agent will cease to advertise the Property.
- 13.2 If the Agent has found a tenant for the Property before receiving notification from the Landlord that the Landlord has let the Property independently, the Landlord shall still be liable to pay the Agent the applicable Fee. If the Landlord notifies the Agent that the Landlord has let the Property independently before the Agent has found a tenant, the Landlord shall not be liable to pay the letting Fee (but will remain liable to pay agreed advertising and marketing costs if they have not already been paid to the Agent).
- 13.3 If the Agent lets the Property, or enters into an agreement to let the Property, or finds a tenant for the Property, the Agent will immediately inform the Landlord and the Landlord will not let the Property or enter into an agreement to let the Property.

# 14. Tax and Resident status

14.1 The Agent may provide HM Revenue & Customs and any other competent authority and/or suppliers of utility services to the Property with relevant information about the Landlord or the Property if requested by them to do so.

- 14.2 The Landlord will inform the Agent if the Landlord's normal place of abode is or becomes outside the UK.
- 14.3 The Agent is registered with HMRC for the Non-Resident Landlord Scheme and will:
  - 14.3.1 Work out and pay the tax the Landlord is liable to pay on the rent received for the Property;
  - 14.3.2 Send payment to HMRC within 30 days of the end of each tax quarter;
  - 14.3.3 Report to HMRC and the Landlord annually by 5 July following the end of each tax year;
  - 14.3.4 Provide the Landlord annually by 5 July following the end of each tax year with any relevant certificate for the scheme;
  - 14.3.5 Keep records relating to the scheme for at least 4 years.
- 14.4 If the Landlord is or becomes resident outside the UK and the Property is required to be licensed, the Landlord will procure that the licensee is resident in the UK, notify the Agent of the licensee's contact details, and authorise the licensee to give the Agent instructions on the Landlord's behalf.
- 14.5 The Agent shall have no liability to the Landlord if it carries out in good faith instructions given by the Landlord's nominated licence holder.

#### 15. Termination

- 15.1 The Contract will continue from the Contract Date until terminated in accordance with this clause 15 or cancelled in accordance with clause 16.
- 15.2 If the Agent is in material breach of its obligations and has failed to remedy the breach within a reasonable time of receiving notice of the breach, the Landlord may immediately terminate this Agreement by giving the Agent notice in writing.
- 15.3 If the Landlord is in material breach of his obligations and has failed to remedy the breach within a reasonable time of receiving notice of the breach, the Agent may immediately terminate this Agreement by giving the Landlord notice in writing.
- 15.4 The ending of this Agreement shall be without prejudice to any rights which have already accrued to either of the Parties under this Agreement.

# 16. Right to Cancel

- 16.1 Unless the Landlord asked the Agent to begin to perform the Services as soon as possible, the Landlord has the right to cancel the Contract at any time before expiry of the Cancellation Period.
- 16.2 To exercise the right to cancel, the Landlord must notify the Agent of his intention to cancel in writing (which may be by email or letter to the Agent's address given in the Contract) and that notification must reach the Agent before expiry of the Cancellation Period. The Landlord does not need to give any reason for cancelling the Contract, but the Landlord's notice of cancellation must make it clear (a) who it is from and (b) to which Property the cancellation notice relates.
- 16.3 Subject to clauses 16.1 and 16.4, if the Landlord cancels this contract within the Cancellation Period, no Fees will be payable and the Agent will reimburse any Fees already paid by the Landlord to the Agent, without undue delay.

- 16.4 Subject to clause 16.5 either party may cancel the Contract at any time after the Cancellation Period by giving to the other not less than 14 days' notice to that effect and in that case:
  - 16.4.1 the Landlord will be liable to pay the Agent the applicable Fees for the Services already performed and expenses incurred by the Agent on the Landlord's behalf, before receiving the Landlord's notice of cancellation;
  - 16.4.2 if the Contract is terminated by either party after the Agent has found a tenant who is willing and able to enter into a Tenancy Agreement, whether or not a Tenancy Agreement is concluded, the Landlord will pay the Agent the applicable set-up Fee, and any unpaid advertising and marketing costs, within 14 days of the date of the Agent's invoice for the same;
  - 16.4.3 the Agent is authorised to deduct Fees due under this clause from any money the Agent has received from the Landlord or tenants, but will pay any surplus to the Landlord within 28 days of receiving notice of cancellation.
- 16.5 If the Contract is for the Premium Service, the Contract cannot be cancelled after the Landlord and the Agent have concluded the Lease, except as specified in the Lease.

# 17. Notices

- 17.1 Where the Contract requires that a party gives instructions, approval, authorisation, notice or similar, they shall be given in writing (which includes email and standard messaging services, but not fax or social media applications or forums such as Instagram or WhatsApp) to the contact details given for the intended recipient in the Contract (or to such other contact details as may be subsequently notified by either party to the other, in writing).
- 17.2 If the Landlord issues verbal instructions to the Agent, the Agent need not comply with those instructions until the Landlord has confirmed them in writing.
- 17.3 Letters sent by 1<sup>st</sup> class post will be deemed to be received on the 2<sup>nd</sup> business day after the day they were posted.
- 17.4 Text messages and emails sent before 1600 hours on Mondays to Fridays (other than public holidays) will be deemed to be received on the day of sending. Text messages and emails sent at other times will be deemed to be received on the next business day after they were sent.
- 17.5 The Landlord agrees to notify the Agent if any of the information he has provided changes, or if there are any material changes in circumstances that affect the Landlord or the Property.

# 18. Limit of Liability and Indemnity<sup>3</sup>

- 18.1 Whilst the Agent will take proper care to check that prospective tenants are suitable for the Property, the Agent does not accept any liability for breach by a tenant of the terms of their Tenancy Agreement.
- 18.2 The Landlord agrees to indemnify the Agent and keep the Agent indemnified from and against all claims, loss, costs, expenses, damage, injury, enforcement action or liability

<sup>&</sup>lt;sup>3</sup> Note for landlords: "indemnity" means the Landlord will reimburse the Agent for losses suffered and expenses incurred, and the Agent will to be given the benefit of any doubt as to whether the costs were reasonably incurred or whether the costs were reasonable and proportionate in amount.

(whether criminal or civil) including the costs of obtaining advice and bringing or defending proceedings) arising in connection with:

- 18.2.1 the provision of Services
- 18.2.2 tenancies of the Property
- 18.2.3 the state of repair or the condition of the Property;
- 18.2.4 the Landlord's or the Property's failure to comply with statutory safety, or licensing or town planning requirements

unless such claims, losses and so forth were caused by the Agent's negligence or wilful misconduct.

- 18.3 The Agent shall not be liable for any errors or discrepancies in any document if that document was not prepared by the Agent.
- 18.4 The Agent shall not be liable for failing to serve prescribed information about the Deposit on any "relevant person" (as defined in the Housing Act 2004) unless the Agent had actual knowledge of such a person and that person's name and address.

#### 19. Force Majeure

Neither party shall have any liability under or be deemed to be in breach of the Contract for any delays or failures in performance of the Contract which result from circumstances beyond the reasonable control of that party and which they could not reasonably be expected to insure against. The party affected by such circumstances shall promptly notify the other party in writing when such circumstances cause a delay or failure in performance and when they cease to do so. If such circumstances continue for a continuous period of more than [6] months, either party may terminate this Agreement by written notice to the other party.

#### 20. Data Protection

- 20.1 Both parties will comply with all applicable requirements of data protection legislation in the performance of their obligations under this Contract. Nothing in the remainder of this clause 20 reduces that general obligation.
- 20.2 Each of the Agent and the Landlord will ensure that in relation to its own data processing activities:
  - 20.2.1 it has all necessary and appropriate consents and notices in place to enable lawful transfer of relevant personal data to and from the Agent, the Landlord, tenants and persons (including 3<sup>rd</sup> party contractors) carrying out the Services or acting on the Landlord's or Agent's request or behalf, for the duration of the Contract;
  - 20.2.2 it has in place appropriate technical and organisational measures to protect against unauthorised or unlawful processing of personal data and against accidental loss or destruction of, or damage to, personal data, in accordance with data protection legislation;
  - 20.2.3 all personnel over whom it has control and who have access to and/or process personal data are obliged to keep the personal data confidential;
  - 20.2.4 it will not transfer any personal data relating to this Contract outside of the European Economic Area;

- 20.2.5 it notifies the other party without undue delay on becoming aware of a breach of data protection legislation;
- 20.2.6 it maintains complete and accurate records and information to demonstrate its compliance with this clause 20;
- 20.2.7 day-to-day processing of personal data is done by the data controller and is not outsourced.
- 20.3 Sulets' privacy policy (available to view at <u>https://www.sulets.com/privacy/</u>) applies to personal data processed by the Agent.

#### 21. Complaints

- 21.1 If the Landlord is dissatisfied with any aspect of the Services, the Landlord must tell the Agent as soon as reasonably practicable and the Agent will do its best to resolve the problem quickly and amicably.
- 21.2 If a satisfactory resolution to the complaint cannot be achieved informally, the Agent will provide the Landlord with a copy of the Agent's complaints procedure (that procedure is also available from the Agent at any time, on written request).
- 21.3 The Agent is a member of the Property Redress Scheme. The Landlord may make refer a complaint to the Property Redress Scheme if certain criteria are met. More information can be found at https://www.theprs.co.uk/consumer/how-it-works

#### 22. Information about the Agent

- 22.1 The Agent is a company limited by guarantee, and it may be contacted at the address given in the contract or by telephone on 0116 467 0315 or by email at enquiries@sulets.com.
- 22.2 The Agent is a charity registered with the Charities Commission (charity number 1149922).
- 22.3 The Agent is registered for VAT and its VAT registration number is 140 5064 52.
- 22.4 The Contract shall be interpreted according to the laws of England and the English courts shall have exclusive jurisdiction in relation to it.

# **QUOTATION FOR SULETS PROPERTY 2020-2021**

Name of Property Owner:

Address of Property to be advertised:

Preferred Service:

This is a quotation for services to be provided and does not form part of the Terms of Business as rents/service may be subject to change during the lettings period at your request or agreement.

Please look at the options below and choose the one you would like to use for the 2020/2021 lettings year. All calculations are based on a 52 week contract with 48 paid weeks.

Room 1 Rent	Room 2 Rent	Room 3 Rent	Room 4 Rent	Room 5 Rent
Room 6 Rent	Room 7 Rent	Room 8 Rent	Room 9 Rent	Room 10 Rent

#### **Sulets Premium Service**

There is no set-up fee or management fee. The Landlord agrees to let the Property to the Agent when the Agent has found suitable prospective occupiers, and instead of set-up and management Fees, the Agent is entitled to keep the difference between the rent reserved by the Lease and the rent payable by the occupiers. **Includes guaranteed rent, opening clean and six interim cleans and safety certificates** in addition to the services provided in the Sulets Managed Service.

Sulets Premium Service Total to Landlord	
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#### **Sulets Managed Service**

When a Tenancy Agreement for the Property is concluded, a set-up fee of 30% (25% + VAT) of the first month's rent payable under that Tenancy Agreement.

For one dwelling belonging to the Landlord on the Managed Service, a management fee of 13.2% (11%+VAT) of the rent due under the Tenancy Agreement for that dwelling, payable by instalments to coincide with the rent payment dates in the Tenancy Agreement.

For each additional dwelling belonging to the same Landlord a management fee of 12% (10%+VAT) of the rent due under the Tenancy Agreement(s) for the additional dwelling(s), payable by instalments to coincide with the rent payment dates in the Tenancy Agreement

Sulets Managed Total Set up Fee (plus Vat)	
Sulets Managed Total Management Fee (plus Vat)	
Sulets Managed Spring Cleaning Contribution	
Sulets Managed Service Total to Landlord	

#### **Sulets Let Only Service**

When a Tenancy Agreement for the Property is concluded, a set-up fee of 90% (75% + VAT) of the first month's rent payable under that Tenancy Agreement.

If and when a Tenancy Agreement for the Property is renewed, a set-up fee of 90% (75% + VAT) of the first month's rent payable under each renewal Tenancy Agreement (but if at least half of the original tenants enter into a renewal Tenancy Agreement the set-up fee for that renewal Tenancy Agreement will be reduced to £150 + VAT).

Sulets Let Only Total Set up Fee (plus Vat)	
Sulets Let Only Total Management Fee (plus Vat)	
Sulets Let Only Spring Cleaning Contribution	
Sulets Let Only Service Total to Landlord	

I choose the Service for 2020/21
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