

LETTINGS INFORMATION GUIDE

This document contains legally binding terms and is in addition to the terms of the letting/management agreement. Where the terms in this document differ from those in the letting/management agreement, the terms of the letting/management agreement prevail.

1. GENERAL

Please ensure that: -

- a. If your property is leasehold:
 - i. Any intended letting is permitted by the terms of your lease;**
 - ii. Any tenancy is for a period expiring prior to the termination of your lease;**
 - iii. The written permission of your landlord, if required under the terms of you lease, is obtained for subletting**

- b. If the property to be let is subject to a mortgage, permission needs to be obtained from the Building Society/Bank or other lender. Your lender may have specific requirements before it will permit a letting, and therefore it is advisable to approach them with a view to obtaining permission as early as possible, and well before completion of the letting. You should note that the lender would usually have the power to terminate the letting if mortgage payments are not maintained and other requirements complied with.

- c. Authority to let the property must be obtained in writing from any joint owners who should be named in the tenancy agreement.

2. RENT

We shall agree with you a rent to be quoted to potential tenants based on our experience and prevailing market rents that are being achieved. This figure would be based on the desired letting time-scale, the condition and location of the property, the type of tenants sought and any other prevailing factors. It is normal for the tenant to take over responsibility for the water, gas, electricity and telephone accounts during a tenancy, to pay for any fuel used, and to be responsible for the Council Tax; it is the landlord's responsibility to pay the ground rent, service charges etc.

3. RENT INCREASES/REVIEWS

- a. We do reserve the right to increase the rent at the end of the fixed term period, which is usually six months by giving prescribed statutory notice. It would then be

the tenant's decision whether to accept the new rent or give notice to vacate the property.

- b. Tenants do have a legal right, once during a tenancy, to apply to a Rent Assessment Committee if they feel they are paying an unfair rent. This is due to the fact that as properties are offered for rent in the general market place, market rent is what is achieved and therefore it is highly unlikely for major disparities in rent for comparable properties to occur

4. DAMAGE DEPOSIT

- a. Unless otherwise instructed, this amount is equivalent to one calendar months rent. We normally hold the deposit as stakeholder where we manage the property. No interest will be paid on monies held by Cooksleys. At the end of the tenancy, the deposit is usually returned to the tenant less amounts agreed for damage and/or arrears. We hold the deposit subject to the terms of the Tenancy Deposit Scheme.
- b. Where we are instructed on a "let only" basis, we shall pass the deposit on to you to deal with in accordance with your chosen tenancy deposit scheme. It is your responsibility to ensure that the deposit is protected and that you comply with the rules of that scheme.

5. INVENTORY AND SCHEDULE OF CONDITION

We recommend a detailed Inventory and Schedule of Condition to be agreed with the tenant at the commencement of the lettings. We can, if required, arrange the preparation, or to update, the inventory. The fee for an Inventory & Schedule of condition to be prepared is as follows:

For unfurnished property

| | |
|------------------|---------------|
| 1 Bedroom | £50.00 |
| 2 Bedroom | £65.00 |
| 3 Bedroom | £80.00 |
| 4 Bedroom | £95.00 |

For Furnished property

| | |
|------------------|----------------|
| 1 Bedroom | £75.00 |
| 2 Bedroom | £100.00 |
| 3 Bedroom | £125.00 |
| 4 Bedroom | £150.00 |

All the above prices are subject to 20% vat

6. SCHEDULE OF DILAPIDATIONS

At the termination of the tenancy, we will arrange to check the inventory where you have instructed us to prepare on. Any damage or dilapidation, which may have occurred during the tenancy, is recorded on the schedule and an agreement of the amount (if any) to be deducted from the dilapidation deposit held by Cooksleys. If the parties are unable to agree dilapidation charges between them, then the rules of the Tenancy Deposit Scheme apply.

7. KEYS

- a. Anybody aged 18 or over moving into a property will require keys.
- b.
- c. We can arrange to cut any additional keys, as required, at your expense. Please let us know if you already have spare sets.

8. REFERENCES

We currently undertake references by using referencing companies called **Rentshield** and **Letsure**. They carry out very thorough credit checks on all prospective tenants and also contact previous landlords, employers etc. The service they provide offers a rent guarantee scheme (subject to terms and conditions). **Rentshield & Letsure** will guarantee the rent payments and should your tenants default whilst still occupying the property, they will also pay all the legal fees in obtaining vacant possession for you. This is subject to terms and conditions.

Please see enclosed information sheet for details on referencing choices available and the cost.

9. TENANCY AGREEMENT

- a. Unless instructed to the contrary, our standard form of Assured Shorthold Tenancy Agreement is used. Originally brought into being in the 1988 Housing Act and since revised in February 1997, it allows for the fair letting of residential property without the risk to the landlord of finding themselves with a sitting tenant and yet still providing the tenant with a secure place of abode for a specified period. Understandably it is very popular and proved successful, to the extent that as of the end of February 1997, all newly granted standard residential tenancies will automatically be Assured Shorthold Tenancies, (unless a prescribed notice is given to the contrary), whether written or, even, verbal.
- b. If for any reason, we feel that a Assured Shorthold Tenancy would not be suitable for your proposed let, we will advise you and will if necessary seek specialist legal advice as to the best type of agreement for your purpose.

10. RENEWING THE TENANCY OR REGAINING VACANT POSSESSION:

- a. Provided both parties keep to the terms of the tenancy agreement then neither the landlord nor tenant can terminate the tenancy before the initial fixed term expires, although for longer tenancies a break clause is occasionally inserted.
- b. At the end of the fixed term, if neither party has given notice to quit, either a new fixed term agreement can be drawn up and signed or alternatively the tenancy will continue on as statutory periodic tenancy under the same terms and conditions as the original tenancy but with the flexibility of being able to terminate it sooner than the fixed term if required.
- c. If a tenant wishes to terminate the contract either at the end of the fixed term or during a periodic tenancy, they are required to give at least **one month's written notice** given from the anniversary of the tenancy agreement e.g., date it started, first of the month etc.
- d. If a landlord wishes to terminate the tenancy either at the end of a fixed term or during a periodic tenancy, they must give at least **two months notice** in a prescribed form. It is your responsibility to instruct us in writing should you wish to regain possession of the property giving us plenty of notice.

11. VACANT PROPERTY:

Our management service only covers the periods to which the tenancy applies. We do not take any responsibility for the property during periods of non-occupation.

12. ADVERTISING

All costs for advertising will be borne by us. To include newspapers, mailing, telephone marketing and Internet coverage.

13. RENT REMITTANCES

Rent is usually paid to us by standing order. As soon as it arrives in our client's account we immediately forward net funds to the landlord. We will deduct all invoices that we receive relating to the property on your behalf that appear correct. We will advise you if additional funds are required to settle an account and advise that you will remain liable for all reasonable costs incurred by us on your behalf, not covered by rental income.

14. INSURANCE

Your property and contents should be comprehensively insured. You must inform your insurers of your intention to let the property as failure to do so may mean the rejection of any future claims. However, not all insurance companies are sympathetic towards lettings. You are responsible for ensuring that the property is in good condition for letting. In particular, it must be thoroughly cleaned and in good repair.

15. FURNITURE AND FURNISHINGS (Fire) (Safety) Regulations 1998

- a. It was made illegal for a professional landlord to let a property that does not meet all the fire resistance requirements. In brief, the regulations require that the upholstered furniture (long suites, headboards, mattresses, bed bases etc) must have fire resistant filling and the covering material must have passed a cigarette resistance test. As from 1997, ALL let properties must comply with the regulations.
- b. Since 1990 all new upholstered furniture has had to comply with the regulation and carries a permanent label stating the test the material has been subject to. Non-compliant furniture must be removed or replaced.

16. THE GAS SAFETY (Installation and Use) REGULATIONS ACT 1998

All gas appliances/equipment must be serviced regularly and checked annually by a registered CORGI installer and an accurate record kept. This check and safety certificate must be attended to before the tenants move in. We can arrange for this to be carried out for (charges are usually in the region of £40.00 - £80.00 cost depending on number of appliances)

17. 5 YEAR WIRING CERTIFICATE REGULATIONS ACT 2005

All mains electrics are to be checked on a 5 yearly basis. This check and safety certificate must be completed before the tenants move in. We can arrange for this to be carried out by one of our qualified contractors, please ask for more details.

18. PAT (Portable appliances test) REGULATIONS ACT 1994

All electrical goods supplied with the property need to be checked and certified on an annual basis or when a new tenant resides at the property. This test needs to be carried out to prove that the electrical goods are safe to use. Please feel free to ask "Cooksleys" to arrange this for you.

19. ENERGY PERFORMANCE CERTIFICATES (EPC) currently valid for 10 years subject to Government change

With effect from 1st October 2008 new Government Legislation states that all rental properties - where the Tenancy Agreement starts on or after 1st October 2008 - have to have an Energy Performance Certificate (EPC). Because this is now a legal requirement - we can arrange for this to be carried out by one of our qualified contractors at a cost of £95.00 - our contractors are not currently registered for VAT.

20. INSTRUCTING SOLICITORS

Should any rent arrears or breaches of convenient be brought to our attention, you will be informed. If the tenants are covered under the rent guarantee scheme, subject to terms and conditions solicitors fees will not be payable by landlords. But should any legal action be thought necessary, you will be responsible for instructing your own solicitor and for payment of his fees and charges.

21. REPAIRS AND MAINTENANCE:

- a. What is provided with the property you must maintain. Therefore if the washing machine you provided develops a fault it is the landlord's responsibility, both practically and financially, to get the problem resolved. There is also a legal obligation (Section 11 of the Landlord Tenant Act 1985) to provide a safe and habitable environment for the tenants; therefore it is important to provide a well-maintained property with good quality fixtures and furnishings.
- b. Obviously if a repair is to be undertaken due to a problem a tenant has caused due to negligence then it will be the tenants responsibility to pay for the repair.
- c. Essential repairs notified to us by the tenant or notified on an inspection visit to the property, not liable to cost more than £250.00 will be carried out without the owners authority, the exception being in the case of an emergency when without authority from the owner, we will spend the absolute minimum in order to contain the emergency and ensure the property is safe.
- d. In normal circumstances repairs, renewals, replacements, re decoration etc over £250.00 "Cooksleys" will endeavour necessary contact the owner of the property in order to gain authority to carry out the work.
- e. We do have a portfolio of contractors that we use on a regular basis, all of whom in our opinion provide a well-priced efficient service. However, if you have a contractor, which you prefer to use, please provide us with contact details for them.

22. MANAGEMENT INSPECTIONS:

- a. We strongly recommend that regular visits are made to all let properties to ensure that the tenants are abiding by their tenancy obligations and that there are no obvious maintenance or other works due.
- b. If managing the property, we carry out inspections every three months and will send a report to landlord on the outcome of this visit. Please be advised however, that

we can only report on or deal with apparent and obvious problems or those, which the tenant brings to our attention. We cannot accept responsibility for hidden or latent defects.

23. INCOME TAX

Income from letting UK property is subject to UK income tax, even if the landlord is resident abroad or a company registered overseas and the law obliges us to inform the Income Tax authorities of our Landlords' property rental arrangements. In these circumstances, the Inland Revenue has the power to hold the agent liable for tax on the income that the landlord receives. Therefore you must let us know if at any time you become resident abroad and if a landlord is resident abroad or a company registered abroad, we are required to retain monies from the rent received, to meet our potential liability from the Inland Revenue. [You can apply to receive UK Rental Income with no tax deducted. We can provide you with the appropriate application form].

24. COUNCIL TAX

You should note that the Landlord is liable to pay Council Tax on vacant furnished properties.

25. VAT @ 20%

Our fees and any other charges will be subject to VAT at the prevailing rate.

26. SELLING YOUR PROPERTY TO THE TENANT

If you agree to sell the property to the tenants introduced by "Cooksleys", a charge will be payable on completion to "Cooksleys". That charge will be individually negotiated with you but where it is not, for whatever reason, the charge will be 1% plus VAT.

27. VARIATION OF TERMS

Please note that any variations to these terms and conditions is only valid if evidence in writing and signed by our Managing Director or other duly authorised signatory.

28. INTRODUCTION ONLY NON MANAGED SERVICE

We will:-

- a. Obtain a completed rent guarantee application form with full details of the prospective tenant.
- b. 2. Take up references through a specialist company's called **Letsure** who offer a rent guarantee scheme subject to terms and conditions. A leaflet is enclosed about the rent guarantee. All prospective tenants must pass this service or otherwise six months rent in advance must be taken, if agreed with the landlord.
- c. 3. Prepare an Assured Shorthold Tenancy/Company agreement for the Landlord and Tenants signatures.
- d. 4. Arrange the preparation of a detailed inventory and schedule of condition of the property and its contents, if required and for a charge (see previously).

- e. 5. Notify the local Authority of the change of occupant for Council Tax purposes.
Notification to service companies e.g. gas, electricity, and water of the change of user at the commencement of the tenancy. This service is offered without any liability on our part and it should be noted that these bodies increasingly require instructions to come directly from the Landlord and/or Tenant as appropriate rather than from the agent.
- f. Collect the deposit and months rent and forward the balance less our commission and any invoices for work carried out for the Landlord with a statement of account
- g. The fee for our “Introduction only non managed service”, which is **£200.00 or half the first months rent**, whichever is the higher figure. We also charge an administration fee of **£75.00** plus VAT, which includes drawing up the tenancy agreement, setting up banking procedures plus further administration carried out.

a. Please refer to the agreement

29. FULL MANAGEMENT

Services

- a. For our Management Service, we undertake all items as previously mention in our Letting Service, plus the following additional services: -
- b. We will arrange to pay on your behalf current outgoings such as ground rent, insurance premiums, service charges, etc. We cannot accept responsibility for the adequacy or otherwise of any insurance cover, nor can we verify service/maintenance charges, demands or estimates.
- c. Although we use all reasonable endeavours and query any obvious discrepancies as we discover them, we must emphasise that we are entitled to accept and pay on your behalf demands and accounts, which appear to be correct at the time they are received.
- d. We will carry out a routine inspection of the property quarterly, if no serious defect requiring inspection has been reported to us in the meantime. It should be appreciated that any such inspection and assessment will cover general appearance and will embrace only apparent defects or lack of care on the part of the tenant.
- e. We will investigate as far as possible any defects, which are reported to us or which come to our notice. Works costing up to £250.00 for any one item will be dealt with as they arise without any further instruction from you and the cost will be deducted from the next rental payment received.
- f. We will endeavour to use any contractors whom you have specifically nominated for repair work at the property but cannot guarantee to do so.
- g. Where repairs/renewals, replacements, redecoration etc. are liable to cost more than £250.00, we will wherever practical submit to you proper estimates, the exception being in cases of emergency when without your written authority we will spend the absolute minimum necessary in order to contain the emergency. Upon you acceptance of any estimates and providing we are in funds with the cost, we will put

in hand the works.

- h. If during our management there is a change of tenancy, we will check for any repairs to be carried out, advising you accordingly and awaiting instructions.
- i. The cost of our full management service is **12% of the gross monthly rent** plus An administration fee of **£75.00** every time the property is re-let to new tenants.

Please refer to the agreement

If you have any further questions, please do not hesitate to ask the lettings team

We/I confirm that we agree to the above.

Signed: Name:

Date: