

Accent Property Management Ltd

Agency Agreement

Apartment 1 The Apartment Building Cambridge Street Cambridge Cambs CB1 1CB

This Agreement is made between the Landlord of the Property (as named at the end of this agreement) and Accent Property Management Ltd acting as agent for the Landlord and hereinafter referred to as "the Agent".

"Member" is the status of Accent Property Management Ltd in connection to the Tenancy Deposit Scheme which is administered by The Dispute Service Ltd (TDS).

"Stakeholder" is how Accent Property Management Ltd hold the tenants Deposit, no deductions can be made from the deposit without the consent preferably in writing from both parties, the consent of the court or an adjudication decision from TDS.

"ICE" - Independent Case Examiner of The Dispute Service Ltd

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.

FULL MANAGEMENT SERVICE

Accent Property Management Ltd provides a property management service to owners (and superior landlords) wishing to let out their property. The standard fee for the management is taken as a percentage of the gross rents received for the period of the tenancy and a set-up fee will normally be levied at the outset for taking references and arranging the tenancy.

The Full Management Service includes:

Advising as to the likely rental income.

Advertising and generally marketing the Property.

Interviewing prospective tenants and instructing Homelet referencing agency to take up appropriate references. Where necessary, additional security would be requested by means of a guarantor. In the case of a company, a full bank reference would be taken.

Preparing the Tenancy Agreement and corresponding Notice 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.

Taking a deposit from the tenant to be held by the Agent in accordance with terms of membership to the Tenancy Deposit Scheme. The deposits will be protected by The Dispute Service until the end of the tenancy when the Property and contents have been checked for unfair wear and tear. Interest accrued on funds held by the Agent before the transfer to the Landlords account (including interest on the deposit) will be retained by the Agent.

Collecting the rent monthly and paying over to the Landlord monthly (according to the current years payment schedule) less any fees or expenses due or incurred for the period. Payments will be made by direct bank transfer together with a detailed rent statement.

Arranging with service companies (principally electricity, gas, and water) for meter readings and advising them of the transfer of service contracts to the tenant at the beginning of each tenancy.

Regular visits of the Property are carried out. Responsibility for and management of empty property is not normally included, and will only be carried out by special arrangement. Please note this visit is not a structural survey of the property.

Co-ordination of repair or maintenance including arranging for tradesmen to attend the Property and obtaining estimates where necessary, supervising works and settling accounts

from rents received.

Making payments on behalf of the Landlord from rents received for insurance premiums, etc.

Carrying out a full property inspection and inventory check at the end of the tenancy and dealing with matters relating to unfair wear and tear before releasing the tenant's deposit.

Additional items and other expenses will be charged according to the scale of fees defined below.

Although the aim is to take every care in managing the Property, Accent Property Management Ltd cannot accept responsibility for non-payment of rent or other default by tenants, or any associated legal costs incurred in their collection, unless the agent has been negligent or failed to comply with obligations under this agreement. An insurance policy is recommended for this eventuality, please contact us for details.

Scale of Fees

Full Management Fee:	By negotiation
Non-Resident Landlord Fee:	£150 per tax year
Tenancy Set-up Fee:	£60
Tenancy Renewal Fee:	Nil

Obtaining estimates and supervision of major works - 15% of cost of work over £250

All fees are exclusive of VAT at the prevailing rate

SOLE AGENCY

The Landlord instructs the Agent on a sole agency basis for a period of 8 weeks from the execution of this contract. This means that during the period of sole agency, should any tenant be introduced to the property other than by the Agent, the Landlord agrees to pay the Agent an administration fee of £200+VAT. This fee will apply each time the Landlord instructs the Agent to market the property for rent.

GENERAL AUTHORITY

The Landlord confirms that he/she is the sole or joint owner of the Property and that he 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. The Landlord authorises the Agent to carry out the various duties of property management as detailed previously. The Landlord also agrees that the Agent may take and hold deposits on behalf of the Landlord. It is declared that the Agent may earn, from time to time, commissions on insurance policies issued.

SAFETY REGULATIONS

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 a property, and with respect to the type of any furniture and soft furnishings that are also provided. The following regulations apply:

- Furniture and Furnishings (Fire)(Safety) Regulations 1988
- Gas Safety (Installation and Use) Regulations 1994
- Electrical Equipment (Safety) Regulations 1994
- Energy Performance of Buildings (Certificates & Inspections) (England & Wales) Regulations 2007

The Landlord confirms that he/she is aware of these obligations and that the Agent has 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 above regulations. The agent shall use all reasonable endeavours to ensure the property is maintained in a safe condition and in compliance with the above regulations.

By law, it is necessary to carry out an annual inspection and service for the central heating and any gas appliances. The Agent will carry these out on the Landlord's behalf and administer the necessary inspection and maintenance records.

The Agent shall advise that all electrical equipment is checked at the beginning of the tenancy and every year thereafter. The Landlord agrees to indemnify the Agent against any expenses or penalties that may be suffered as a result of non-compliance of the Property to fire and appliance safety standards.

An EPC is required by law when a building is constructed, sold or put up for rent. The Landlord will need to provide an EPC which will be valid for ten years, to prospective tenants, the first time you let or re-let your property after 1 October 2008. The Agent will ensure the property has a current and valid EPC and will renew the certificate at the appropriate time. The charge for this renewal will be taken from the rent account.

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. A copy of this policy is to be retained on file by the Agent. Accent Property is an appointed representative of Barbon Insurance Group who are regulated by the FSA and can provide a suitable insurance policy to cover buildings or contents. Please contact the office for a quote.

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 all conform to the current fire safety regulations. The Landlord agrees to make the Agent aware of any ongoing maintenance problems. Subject to a retained maximum expenditure limit (UK landlords: £200, Overseas landlords: £400) on any single item or repair, and any other requirements or limits specified by the Landlord, the Agent will administer any miscellaneous maintenance work that needs to be carried out on the Property. It is agreed that in an emergency or for reasons of contractual necessity where reasonable endeavours have been made to contact the Landlord, the Agent may exceed the limits specified. The Agent endeavours to select competent tradesmen at a reasonable price but is unable to personally guarantee the standard of workmanship or any liability arising thereof, although the Landlord retains the right to pursue any claim against appointed tradesmen for substandard work.

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 empty, let as holiday accommodation, or let as a house in multiple occupation (HMO), responsibility for payment of Council Tax then rests with the owner of the property.

SERVICES

The Agent will take meter readings whenever possible at each change of occupation in the Property and inform the service companies (electricity, gas and water) of these readings and change of occupation. In many cases, the service companies (e.g. BT) require that the new occupiers formally request and authorise the service and it is not possible for the Agent to do this on the tenant's or Landlord's behalf. Should any utility meters be changed during a tenancy as a result of tenant arrears, with or without the Agents prior knowledge, the Agent will not be held responsible for any charges to re-instate the original meter or arrears. The tenant will remain responsible for any arrears accrued whilst living at the property. Regarding mail, Landlords should take care to inform all parties (e.g. Banks, lenders, etc.) of their private address; it is not always possible to rely on tenants to forward mail.

INVENTORY

There is no charge to the landlord for an inventory prepared on an unfurnished property (one which includes only curtains, carpets, light fittings and white goods). For furnished properties a charge will be made at the commencement of every tenancy depending on the size of the inventory, as detailed below (all prices subject to VAT). Landlords should not leave any articles of exceptional value in the Property without prior arrangement with the Agent:

Studio: £100.00	1 bed: £100.00	2 bed: £110.00
3 bed: £130.00	4 bed: £150.00	5 bed: £175.00

KEYS

We initially require one set to allow access for viewings. We will ultimately require five sets in total (the cost

of which can be deducted from the first rental statement). The Agent will hold one full master set for office use only, one or two sets will be available for contractors as necessary and one set will be issued to each tenant. The Landlord agrees for the cost of additional sets to be taken from the rent account.

LETTING AGREEMENT

The standard Full Management service includes the preparation of a letting agreement in the Agent's standard form(s) and provision of a copy of this agreement to a designated advisor or building society. It is agreed that the Agent may sign the tenancy agreement(s) on behalf of the Landlord.

INVENTORY CHECK-IN

At the start of the tenancy, a member of staff will attend the Property with the tenant(s) to complete the inventory and agreements. The tenant(s) will also be shown the location of utilities and amenities and meter readings will be taken.

SCHEDULE OF CONDITION

The Agent will provide a full Schedule of Condition of the Property (condition, colour & decoration of ceilings, walls, doors & fittings plus carpets, curtains, mirrors, sanitaryware and other articles that, in the opinion of the Agent, need regular checking).

VISITS

Under the Standard Management Service, the Agent will normally carry out visits quarterly starting after the first month. It is not the intention to check every item of the inventory at this stage; the inspection is concerned with verifying the good order of the tenancy (i.e. property 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, a more detailed inspection would generally be made. Following the departure of tenants, a final inspection of the Property is carried out by the Agent. Testing of all the electrical appliances, heating system and plumbing is not feasible during this inspection; a qualified contractor should be appointed for this purpose should it be required by the Landlord. Any deficiencies or dilapidations would normally be submitted to the Landlord together with any recommended deductions or replacement values. It is agreed that the Agent's judgement will be final in this matter. Should it be necessary, the case will be referred to arbitration with the Royal Institute of Chartered Surveyors, any costs being shared by Landlord and tenant, or as directed by the arbitrators.

HOLDING FEES & DEPOSITS

A holding fee is generally taken from a tenant applying to rent a property. The purpose of this fee is to verify the tenant's serious intent to proceed, and to protect the Agent against any administrative expenses (taking out bank references, conducting viewings, re-advertising) that may be incurred should the tenant decide to withdraw the application. The holding fee does not protect the Landlord against loss of rent in the event that the tenant decides to withdraw, or references prove to be unsuitable. However early acceptance of rent from the applicant would not be advisable until satisfactory references have been received. Landlords should notify the Agent where they wish a larger security fee or deposit to be carried.

Upon signing the tenancy agreement, the Agent 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. The Agent is a member of the Tenancy Deposit Scheme, which is administered by: The Dispute Service Ltd, PO Box 54, Amersham, Bucks HP6 6ZR Tel: 0845 226 7837, Email: deposits@tds.gb.com, Fax 01494 431123. The Agent shall hold the deposit as Stakeholder under the terms of the Tenancy Deposit Scheme. Membership to The Dispute Service is currently not charged to the Landlord however, the Agent reserves the right to pass on these charges at any time.

At the end of the tenancy covered by the Tenancy Deposit Scheme

1. If there is no dispute the Agent will keep any amounts agreed as deductions where expenditure has been incurred on behalf of the Landlord, or repay the whole or the balance of the Deposit according to the conditions of the Tenancy Agreement with the Landlord and the Tenant. Payment of the Deposit will be made within 10 working days of written consent from both parties.
2. If, after 10 working days following notification of a dispute to the Agent/Member and reasonable

attempts have been made in that time to resolve any differences of opinion, there remains an unresolved dispute between the Landlord and the Tenant over the allocation of the Deposit it will (subject to 3. below) be submitted to the ICE for adjudication. All parties agree to co-operate with any adjudication.

3. When the amount in dispute is over £5,000 the Landlord and the Tenant will agree by signing the Tenancy Agreement to submit the dispute to formal arbitration through the engagement of an arbitrator appointed by the ICE although, with the written consent of both parties, the ICE may at his discretion accept the dispute for adjudication. The appointment of an arbitrator will incur an administration fee, to be fixed by the Board of The Dispute Service Ltd from time to time, shared equally between the Landlord and the Tenant. The liability for any subsequent costs will be dependent upon the award made by the arbitrator.
4. The statutory rights of either the Landlord or the Tenant(s) to take legal action against the other party remain unaffected.
5. It is not compulsory for the parties to refer the dispute to the ICE for adjudication. The parties may, if either party chooses to do so seek the decision of the Court. However, this process may take longer and may incur further costs. Judges may, because it is a condition of the Tenancy Agreement signed by both parties, refer the dispute back to the ICE for adjudication. If the parties do agree that the dispute should be resolved by the ICE, they must accept the decision of the ICE as final and binding.
6. If there is a dispute the Agent must remit to The Dispute Service Ltd the full deposit, less any amounts already agreed by the parties and paid over to them. This must be done within 10 working days of being told that a dispute has been registered whether or not the Landlord or Agent want to contest it. Failure to do so will not delay the adjudication but The Dispute Service Ltd will take appropriate action to recover the deposit and discipline the Agent.
7. The Agent must co-operate with the ICE in the adjudication of the dispute and follow any recommendations concerning the method of the resolution of the dispute.

SALE OF PROPERTY

In the event of a party introduced by the Agent (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 the Agent on completion of the sale at the rate of 1% of the sale price, plus VAT (if applicable).

NON-RESIDENT LANDLORDS

When letting property and collecting rents for landlords overseas, the Agent is obliged by the Taxes Management Act (TMA) 1970 (or under similar powers of any future tax legislation) to deduct monies (currently equivalent to 20% of the gross rents) to cover any tax liability. In this situation, the Agent also requests that the Landlord appoints an accountant or reserves the Agent the right to employ a suitably qualified accountant in order to manage correspondence with the Inland Revenue. A standard annual charge will be made for this work and administration expenses may be charged by the Agent for further work requested by the Landlord, the Landlord's accountant or the Inland Revenue in connection with such tax liabilities. In many cases, landlord's tax liability is minimal when all allowable costs are deducted. It is possible to gain an exemption if the landlords tax affairs in the UK are up to date. Please contact the Agent for the appropriate forms.

LEGAL PROCEEDINGS

Any delays of payment or other defaults will be acted on by the Agent in the first instance. Where the Agent has been unsuccessful in these initial 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 the Agent is unable to contact the Landlord, in which case the Agent is authorised to instruct a solicitor on the Landlord's behalf). The Landlord is responsible for payment of all legal fees and any related costs, to include an hourly charge of £25 per hour (plus VAT) for the Agents time spent on handling deposit disputes, online money claims and court attendances. If charged, a minimum charge of one hour will always be applied.

TERMINATION

This agreement may be terminated by either party by way of three months' written notice, save in the case

of agents negligence or material breach of this agreement, in which case the landlord can terminate with immediate effect. A fee equivalent to 3 months management fee will always be applicable. A placement fee equivalent to one month's rent will be payable where the Landlord intends to continue letting to tenants introduced by the Agent after the termination of this agreement.

The Landlord shall provide the Agent 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 onto the Landlord as soon as possible. Landlords should be aware that the legal minimum notice period to tenants under assured tenancies is generally two months (should the contract allow for early termination) and this needs to be given even in the case of a fixed term tenancy which is due to expire.

INSTRUCTIONS

It is agreed that any instructions to the Agent from the Landlord regarding termination, proceedings, major repairs, payment details or other significant details regarding the letting be confirmed to the Agent in writing. Should the Landlord or Tenant require any agreement to be translated into another language other than English, or drawn up in Braille, the Agent reserves the right to pass these charges on to the Landlord at cost. Should the Landlord require duplicate copies of rent statements then he must do so in writing and a charge of £5 + VAT will be applied. Should the Landlord require duplicate copies of a contractor invoice then he must do so in writing and a charge of £10 + VAT will be applied.

INCORRECT INFORMATION

The Landlord warrants that all the information he has provided to the Agent is correct to the best of his knowledge and belief. In the event that the Landlord provides incorrect information to the Agent which causes the Agent to suffer loss or causes legal proceedings to be taken the landlord agrees to reimburse and compensate the Agent for all losses suffered.

INDEMNITY

The Landlord agrees to indemnify the Agent against any costs, expenses or liabilities incurred or imposed on the Agent provided that they were properly incurred on behalf of the Landlord in pursuit of the Agent's normal duties under this agreement. To assist the Agent in carrying out his duties effectively, the Landlord agrees to respond promptly with instructions where necessary to any correspondence or requests from the Agent.

ACCEPTANCE & VARIATION

The Agent has the right to update fees at any time. Any proposals by the Agent to vary the terms and conditions of this Agreement shall be made in writing.

I/we confirm that we have read the attached Agreement and wish the Agent to undertake the letting, rent collection and management.

I/we also confirm that we are the sole/joint owners of the Property known as:

Apartment 1 The Apartment Building Cambridge Street Cambridge Cambs CB1 1CB

Signed: _____ Date: _____

(If property is jointly owned all parties should sign)

Landlord's Full Name(s): **Mr & Mrs Landlord**

Signed on behalf of the Agent: _____ Date: _____
for Accent Property Management Ltd

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