



TOWN &  
COUNTRY  
PROPERTY SERVICES

LANDLORDS

**TOWN & COUNTRY**

81 Church Road, Hove,

East Sussex, BN3 2BB

01273 771 977

hello@tandcpropertygroup.co.uk

www.tandcpropertygroup.co.uk

# AGENCY AGREEMENT

& CONFIRMATION OF INSTRUCTION FOR  
THE LETTING OF:

BETWEEN  
TOWN & COUNTRY PROPERTY SERVICES  
AND



TOWN &  
COUNTRY  
PROPERTY SERVICES

## TOWN AND COUNTRY PROPERTY SERVICES AGENCY AGREEMENT

This agreement is made between the Landlord of the Property (as named at the end of this agreement) and Town and Country Property Services who agree to act as agent for the Landlord and are hereinafter referred to as 'The Agent'. 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.

The terms of the Agreement set out in this document will constitute a legally binding contract. If you are unsure of your obligations under this Agreement, then you are advised to take independent legal advice before signing. This Agreement is set out to comply with the requirements of the Provision of Services Regulations 2009 SI 2999.

Management Service Town and Country Property Services provides a property management service to owners wishing to let out their property. The standard fee for the management is taken as a percentage of the gross rent due for the period of the tenancy and a set up fee will be chargeable to the tenant for taking references and arranging the tenancy agreement to be drafted.

### The Management Service includes:

1. Advising as to the likely rental income.
2. Advertising and generally marketing the Property.
3. Interviewing prospective tenants and taking up full references including a bank reference, credit check, landlord and employer references. Where necessary (such as with students) additional security would be requested by means of a guarantor. In the case of a company a full bank reference would be taken.
4. Preparing the tenancy agreement necessary for the Land lord to gain protection of the relevant Rent and Housing Acts and renewing the agreement where necessary at the end of the tenancy term.
5. Taking a deposit from the tenant, dealing with this deposit under the requirements of the chosen deposit protection scheme until the end of the tenancy when the property and contents have been checked for unfair wear and tear and handling any termination issues with the tenant and the tenancy deposit protection scheme provider.
6. Collecting the rent monthly and paying over to the Landlord monthly less any fees or expenses due for the period. Payments will be made by direct bank transfer and a detailed rent statement will be forwarded to the Landlord.
7. Regular inspections of the Property are carried out on a 6 monthly basis excepting during the first period which would be after 3 months.
8. 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.
9. Making payments on behalf of the Land lord from rents received for costs in managing the Property.
10. Carrying out a full property inspection, preparing an inventory and checking this at the end of the tenancy and, if necessary, preparing and agreeing a schedule of costs relating to damage or unfair wear and tear prior to releasing the deposit.

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

## SCALE OF FEES

Fully Managed Service:	10% + VAT of rent due (negotiable depending on portfolio size)
Letting and Rent Collection Service:	8% + VAT of rent due (negotiable depending on portfolio size)
Letting Only Service:	3 weeks rent + VAT for 6 month Tenancy 4 weeks rent + VAT for 12 month Tenancy
Fully reference applicant, to include Right to Rent check, and check in (recommended):	£100 per applicant
Right to rent check only and check in (legal requirement):	£25 per applicant
Fully reference UK Homeowner Guarantor:	£30 per guarantor
Inventory, including photos, for Letting and Rent Collection and Letting Only Service:	£100 - £200 + VAT depending on size of property
Managing deposit dispute to conclusion:	£250 + VAT
Issuing Possession Proceedings:	£250 + VAT
Supervision of works over £1000 (excepting boiler Replacement):	10% + VAT of total works sum
Tenancy Deposit Protection Cover:	£20 per annum
Duplicate statements:	£5 per statement
Annual statement of income and expenditure if required to be sent to a third party:	£25 + postage if required to be sent to a third party
Duplication and testing of keys:	£25 + cost of invoice for keys
Additional visits made by the agent to the property at the specific request of the Landlord:	£30
Applying for HMO License:	£100
Professional Photography, Floor Plan and EPC:	£180 + VAT
Professional Photography and Floor Plan:	£140 + VAT
Professional Photography only:	Up to 1500 square feet £120 + VAT over this size £135 + VAT
Floor Plan and EPC:	£110 + VAT
Floor Plan only:	Dependant on square footage, guide only £85 + VAT over 1500 square feet priced individually
EPC only:	£85 + VAT

## TERMS OF BUSINESS

### 1. General Authority

The landlord confirms that he/she is the sole or joint owner of the Property and 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 usual duties of property management including those listed in items 1-11 of the Management Service detailed previously. The Landlord agrees that the Agent may take and hold deposits and comply with the requirements of any tenancy deposit scheme that may apply to that deposit. It is declared that the Agent may earn and retain commission on insurance policies issued.

### 2. Liability for Tenant Default

Although the aim is to take every care in managing the Property, the Agent cannot accept responsibility for non payment of rent, damage or other default by tenants, or any associated legal costs incurred in their collection where the Agent has acted correctly in terms of this agreement, or on the Landlords instructions. An insurance policy is recommended for this eventuality.

### 3. Reasonable Costs and Expenses

3.1 The Landlord agrees to repay the Agent for any reasonable costs, expenses or liabilities incurred or imposed on the Agent provided that they were incurred on behalf of the Landlord in pursuit of the Agents normal duties. 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.

3.2 Where the agreement is cancelled under the Cancellation of Contracts Made in a Consumers home or Place of Work etc Regs. 2008 the Landlord agrees to repay any reasonable costs incurred by the Agent in carrying out his duties before the cancellation of the contract.

### 4. Maintenance

4.1 The Landlord agrees to provide the Property in a good and lettable condition and that the property, bed, sofas and all other soft furnishings conform to the current fire safety regulations. The Landlord agrees to make the Agent aware of any on going maintenance problems. Subject to a retained maximum expenditure limit (£250 + VAT if applicable) 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 (although the administration of major works or refurbishment will incur an additional charge - see Scale of Fees above).

'Retained maximum expenditure limit' means that the Agent has authority to spend up to this amount (or other amount individually agreed) on reasonable improvements or repairs in any single monthly accounting period without reference to the Landlord.

4.2 For expenditure in excess of the agreed expenditure limit the Agent would normally request written authorisation in advance, although it is agreed that in an emergency or for reasons of contractual or legal necessity where reasonable endeavours have been made to contact the Landlord, the Agent may reasonably exceed the limits specified. By law it is necessary to carry out an annual inspection and service for the central heating and any gas appliances. The Agent will organise this on the Landlords behalf and expense and administer the necessary inspection and maintenance records. The costs involved will be debited to the Landlords account.

4.3 Where the Agent is required to co-ordinate repair and maintenance work on behalf of the Landlord, the Agent will not be responsible for any negligence, damage or breach of contract by any contractor employed in this way.

## TERMS OF BUSINESS

### 5. Overseas Residents

When letting property and collecting rents for non-UK resident landlords (NRL) i.e. landlords living overseas, the Agent is obliged by the Income and Corporation Taxes Act 1988 and the Taxation of Income from Land (Non-Residents) Regulations 1995 to deduct Tax (at the basic tax rate) to cover any tax liability, unless the Landlord has been authorised in writing by HM Revenue and Customs (HMRC) to receive rent gross. It is the landlords responsibility to ensure that the authorisation is forwarded to the agent.

### 6. 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.

### 7. Services

The Agent will take meter readings whenever possible at each change of occupation in the Property and, where necessary, 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 tenants or Landlords behalf. Regarding mail, Landlords should take care to inform all parties (e.g. Banks, clubs, societies etc) of their new address; it is not always possible to rely on tenants to forward mail.

### 8. Inventory

The deposit protection schemes established under the terms of the Housing Act 2004 require that all landlords need to be protected by good inventory and condition reports from the outset. In the case of the management service the Agent will prepare an inventory for the property with associated photographs. The standard inventory will include all removable items in the Property (except those of negligible value) plus carpets, paintwork, wall coverings, curtains, mirrors, sanitary ware and other articles that, in the opinion of the Agent, need regular checking. Landlords should not leave any items of exceptional value in the Property without prior arrangement with the Agent.

### 9. Tenancy Agreement

All levels of service will include the preparation of a tenancy agreement in the Agents standard format. It is agreed that the Agent may sign the tenancy agreement on behalf of the Landlord.

### 10. Notices

The Agent will, as necessary, serve the usual legal notices on the tenant(s) in order to terminate the tenancy, increase the rent or for any other purpose that supports the good management of the Property, or the timely return of the deposit at the end of the tenancy.

### 11. Tenancy Deposits

11.1 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.

11.2 Statutory tenancy Deposit protection Where the tenancy is an assured shorthold tenancy the Landlord or Agent is legally required to ensure that any tenancy deposit taken under the tenancy is protected within one of three statutory tenancy deposit schemes within 14 days of receipt. The schemes are:

- (1) The Deposit Protection Service (DPS)
- (2) My Deposits
- (3) Tenancy Deposit Scheme

Currently the Agent uses 'Tenancy Deposit Scheme' to register all deposits taken.

## TERMS OF BUSINESS

### 12. Inspections

12.1 Under the management service the Agent will normally carry out inspections on a half yearly basis. However the first inspection will be after 3 months before reverting to half yearly. Such inspections do not constitute a formal survey of the Property, and 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 and the general condition of the Property.

12.2 Following the departure of the tenants a final inspection will be carried out of the Property by the Agent. Any deficiencies or dilapidations would normally be submitted to the Landlord (and, if appropriate, to the relevant tenancy deposit scheme administrator) together with any recommended deductions or replacement values.

### 13. Termination

13.1 Termination of Agency Agreement This agreement may be terminated by either party by way of two months written notice but will only apply after the first full tenancy term has expired.

13.2 Tenancy 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 Landlords behalf is a binding legal agreement for the term agreed. Details of any tenancy agreement being entered into will be communicated to the Landlord as soon as possible. Landlords should be aware that the legal minimum notice period to tenants under assured shorthold tenancies is two months and this needs to be given even in the case of a fixed term tenancy that is due to expire.

### 14. Sole Letting Rights

It is agreed that only the Agent may let the Property.

### 15. Safety Regulations

WARNING: You should read and understand these obligations before signing overleaf.

15.1 The letting of property is now closely regulated with respect to consumer safety. The law makes particular demands regarding the safety, servicing and inspection of the gas and electric appliances and installations within the property, and with respect to the safety of furniture and soft furnishings provided. The following regulations apply:

- \* Furniture and Furnishings (Fire)(Safety) Regulations 1988
- \* General Product Safety Regulations 1994
- \* Gas Safety (Installation and Use) Regulations 1998
- \* Electrical Equipment (Safety) Regulations 1994
- \* Plugs and Sockets (Safety) Regulations 1994

15.2 The Landlord confirms that they are aware of these obligations and that the Agent has provided sufficient information to assist with compliance. It is agreed that the Landlord shall ensure that the Property is made available for letting in a safe condition and in compliance with the above regulations.

## TERMS OF BUSINESS

### 16. Instructions

It is agreed that any instructions to the Agent from the Landlord regarding termination, proceedings, major repairs, payment or other significant details regarding the letting be confirmed to the Agent in writing.

### 17. 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.

### 18. Housing Benefit

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

### 19. 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 may then be appointed and instructed by the Landlord (except where the Agent is unable, after taking reasonable efforts, to contact the Landlord. In that event the Agent is authorised to instruct a solicitor on the Landlords behalf). The Landlord is responsible for payment of all legal fees and any related costs.

### 20. Letting Only Service

Where the landlord does not wish the Agent to undertake full management (the Standard Management Service), the Agent can provide a Letting Only Service. The Letting Only Service includes only terms 1 to 4 of the Management Service as listed above. The Landlord would remain responsible for all other aspects of the letting including the maintenance of the property and any gas and electrical appliances. The Landlord would be responsible for complying with the deposit protection requirements of the Housing Act 2004 and must provide the Agent with written confirmation of this together with a written receipt for the deposit monies received by the Agent on his behalf. The fees, as listed above, are payable at the commencement of the tenancy and will be deducted from monies received by the Agent on the Landlords behalf. If the tenant leaves prior to the end of the term of the tenancy, through no fault of the Agent, the Landlord shall not be entitled to reimbursement of any fees paid.

### 21. Letting and Rent Collection Service

Where the Landlord requires the collection of rents and the deposit service (items 6 & 7 only of the Management Service as listed above) in addition to the Letting Only Service, then total fees of 8% (of the gross rental income for the term of the tenancy) will be charged and will be deducted from rents collected.

### 22. Renewals

Where, with the consent of the Landlord, the tenancy as set out in clauses 21-22 is renewed or extended to the same tenant (or any person associated with the tenant) originally introduced by the Agent, a renewal fee equivalent to 2 weeks rent+ VAT or 3 weeks rent+ VAT, for 6 and 12 month tenancies respectively, shall be payable on the renewal date. The Agent shall prepare the tenancy agreement, if required, for the new tenancy and the terms of this Agreement shall continue until the tenant vacates, or this Agreement is terminated.

### 23. Acceptance and Variation

The terms and conditions of this Agreement may be varied by either party, but only with three months' prior written notice.



# AGENCY AGREEMENT

## THE AGREEMENT

I wish the Agent to undertake the following service:

Service

Management Service

Letting and Rent Collection

Letting Only Service

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

(Property to be let)

**IMPORTANT NOTICE:** Clients should carefully read and understand the above terms of business before signing

Signed..... Date.....

Signed..... Date.....

(IF PROPERTY IS JOINTLY OWNED ALL PARTIES SHOULD SIGN)

Landlord's Full Name(s).....

Landlord's Full Name(s).....

Signed on behalf of the Agent.....

Agent's Full Name.....

Date.....

