



Letting Terms

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1. Letting Service

- 1.1 We will visit the Premises to view them and provide you with an indication of the current market rent achievable
- 1.2 We will market your Premises to inform suitable applicants of the availability of your Premises by erecting a To-Let board at the Premises and by advertising on leading property websites. Please notify us in writing if you have previously agreed not to erect a To-Let Board with the Superior Landlord, Freeholder or other interested party, or local bye-laws or conservation area restrictions prevent the erection of a Board.
- 1.3 As and when we have applicants interested in viewing your Premises, we will either accompany these people to your Premises with keys provided by you, or arrange a mutually convenient appointment for them and us to meet you at the Premises
- 1.4 We use a credit reference agency who have informed us that they obtain a credit reference report checking their financial standing. We also contact the previous landlord (if appropriate) and employer. We are not liable for the accuracy of those references or the information contained in them, unless it is due to our negligence or breach of contract.
- 1.5 An Inventory and Schedule of Condition is essential for the proper management of your Premises, whether they are let furnished or unfurnished, to reduce the risk of a dispute arising in respect of the security Deposit ("Deposit"). Inventories should, where applicable, show that furnishings and electrical equipment comply with current legislation. If you do not have an inventory and schedule of condition or have an inadequate document then you may not have proof of any damage caused by the tenant and may not receive any compensation. We have no liability for any loss suffered if you fail to take our advice.
- 1.6 If you are preparing the inventory we must receive it from you at least 5 days prior to commencement of the Tenancy.
- 1.7 With our fully managed service we will prepare the Inventory and Schedule of Condition.
- 1.8 Prepare a comprehensive Tenancy Agreement setting out the rights and obligations of both parties, including any special terms that have been agreed.
- 1.9 Collect the first month's rent together with the deposit which is usually equivalent to one month's rent + £100.
- 1.10 The deposit must be registered by the landlord with a Tenancy Deposit Protection Scheme within 30 days of its receipt. It is the responsibility of the landlord to ensure that the tenants are issued with the relevant prescribed deposit information within 30 days.
- 1.11 Request a set of keys for each tenant from the landlord prior to the tenancy commencing. If you do not comply we may have to get additional sets cut for you to comply with this obligation and a charge for the keys will be made.
- 1.12 Arrange for a GAS SAFE registered engineer to check the gas appliances and installations and provide a Gas Safety Certificate (GSC) if we have not received a copy of a current GSC five days before the tenancy commences then we shall arrange a GSC on your behalf. The cost will be deducted from the initial payment of rent. The cost is £70.00+VAT (£84.00).
No tenancy can commence until we are in receipt of a valid GSC.
- 1.13 It is the landlords legal responsibility (if the property is in Wales) that you register your property with Rent Smart Wales. If you conduct any forms of property management yourself including maintenance visits then you are legally obliged by the Wales Housing Act (2014) to also become Licensed and pass an exam. The cost of the landlord licence varies. If the property is managed by Hogg and Hogg only the registration is due.
- 1.14 Advise that if a formal offer has been made by a prospective tenant and you inform us that you wish to withdraw from the proposed tenancy it may not be possible to withdraw the offer if it has been accepted. If you refuse to proceed the tenant could take legal action against you for any losses suffered. If a prospective tenant agrees to accommodate your request you should expect to meet reasonable costs and expenses incurred by him or her.
- 1.15 If you instruct us to proceed with the proposed tenancy and subsequently withdraw such instructions, you agree to meet the costs of the expenses incurred up to the sum of £200.00 + VAT.
- 1.16 Warn that we will not arrange works prior to a letting (whether requested by you or intended tenant) unless sufficient funds are held to cover the cost and the landlord has requested us to do the work in writing.
- 1.17 Advise that if the tenant leaves the premises of their own accord prior to the expiration of the tenancy it is your responsibility to take the appropriate action to recover any outstanding rent from the former tenant.

2. Management Service

In addition to the above services we will do the following:

- 2.1 We will notify the electricity, gas, water and the local authority when the tenant occupies your Premises provided you have supplied us with the contact details of your utility suppliers including the account numbers, and ask them to send a credit agreement and supply contract to the tenant. You will need to pay any outstanding utility charges up to and including the date upon which the tenant occupies the Premises and for any void period between tenancies. We will also need to provide the above suppliers with your new address and the meter readings at the commencement of the Tenancy to ensure that there are no discrepancies with the changeover. Some suppliers will not take instructions from us in which case you must contact them direct to take the accounts out of your name.
- 2.2 Register the deposit and the two parties to the tenancy agreement with the Deposit Protection Service (DPS) and provide the tenants with the prescribed information.
- 2.3 We will collect rent from the tenant and pay directly to your nominated bank account. A statement of account will be sent to you monthly via email. Hogg and Hogg cannot be held responsible for any bank charges that may be incurred as a result of delays in payment.
- 2.4 We will deal with day to day management matters, including minor repairs up to a maximum figure of £100 for any one item which will be agreed with the Landlord at the time of taking instruction and signing of this Agreement. Except in the case of an emergency or to enable you to comply with statute. By signing this agreement, you agree that we can instruct contractors on your behalf and deduct the cost of repairs and maintenance from the Rent or fund mentioned below.
- 2.5 Instruct tradesmen to carry out any maintenance, repairs or other work on your behalf. By signing this agreement, you give us authority to deduct the cost of their invoices.
- 2.6 Use a particular contractor if requested by you provided we have copies of their professional qualification, public liability insurance and the person is readily available. If any damage is caused by the negligence or failure of tradesman specified by the landlord we, the agent, will not be liable for any loss suffered by you.
- 2.7 Advise that we are not liable for any loss or damage suffered by the landlord if we are unable to carry out repairs or maintenance because we do not hold any or sufficient funds unless the loss or damage is due to our negligence or breach of contract.
- 2.8 Visit the premises every 3 months. These visits are of limited nature in order to verify the general good order of the premises and the proper conduct of the tenancy by the tenant. A visit will not constitute a complete check of every part of or every item in the premises but enable us to note any lack of repair or maintenance which should be brought to your attention. We are not liable for any loss or damage due to hidden or latent defects.
- 2.9 This Service does not include supervision of your Premises when it is vacant. Upon receipt of your written instructions we can arrange for scheduled visits. Visits are once a week during office hours which are Monday to Friday between 9.00am and 5.00pm. Additional visits will incur extra charges. There will be an additional charge of £25.00 + VAT (£30.00) per visit.
- 2.10 Either party may withdraw instructions to manage the Premises upon giving two months' written notice. However, our fees for full management service remain payable until the expiry of the notice. We may terminate our retainer immediately if you are in major breach of any of the terms contained in this Agreement or if you do or do not do something which makes it impossible, impracticable or illegal to continue providing these services.

3. Renewal

When we are instructed to manage the property we will do the following:

- 3.1 Towards the end of the initial fixed term we will contact you to find out if the tenancy should be renewed and to agree any renewal instructions. We will review the rent and advise you if a rent increase is possible or desirable depending upon current market conditions. You must confirm to us in writing if you wish the tenancy to be renewed or notice served. We do not serve notice on the tenant unless you instruct us to do so in writing.
- 3.2 Once written confirmation has been received from you requesting the tenancy to be renewed we will write to the tenant asking if they wish to renew the tenancy and advising of any proposed rent increase. We will then negotiate between the two parties if requested. We will prepare the extension document for both parties where requested including drafting any clauses agreed between the parties varying the terms of the original tenancy.



- 3.3 We will try to ensure both parties sign the documentation by the start date of the new period of the tenancy. However, if the tenant fails to return the extension documents the tenancy will continue as a periodic tenancy until either party gives notice in writing. Our commission will be payable whether the tenancy continues as a fixed term or a periodic tenancy where we are instructed to act on your behalf. While we will make every effort to obtain the signed extension documents we have no liability if the tenant fails to return them.
- 3.4 If the tenant has an Assured Shorthold Tenancy and continues to roll-on on a month to month basis (i.e. a periodic tenancy) then the rent can only be lawfully increased on an annual basis if we serve the tenant with a valid Notice under Section 13(2) of the Housing Act 1988. This notice advises the tenant that they have a right to challenge the increase by serving you with a counter notice and ultimately referring the increase to the Rent Assessment Committee. This could result in a hearing. If the Tenant makes a counter proposal, we will ask you whether you wish to accept it or whether you wish to pursue the issue to a hearing. If you want to do the latter, we can arrange for solicitors to act on your behalf. You will be responsible for their charges.
- 3.5 A renewal of Tenancy Charge is payable by the landlord and will be deducted from the monthly rent. The cost is £100.00 + VAT (£120.00).

4. Commission and Fees

The following commission is payable by the Landlord to us following the introduction of a Tenant who enters into a Tenancy either directly, indirectly or by way of an introduction from an existing Tenant found by us for as long as we are instructed to act on your behalf. Value added tax (VAT) will be chargeable on all commission at the prevailing rate, currently 20%. This rate may change from time to time and the total cost will change accordingly.

5. Fully Managed plus Rent and Legal Protection

- 5.1 Our setting up fee of **55% + VAT** of the first month's rent, subject to a minimum of **£300 + VAT (£360)**, will be deducted from the first month's rent for each completely new tenancy.
- 5.2 Our commission is calculated at **13% + VAT** of the gross rent premium for the management and will be deducted from the rent payment being monthly or quarterly.

6. Fully Managed

- 6.1 Our setting up fee of **55% + VAT** of the first month's rent, subject to a minimum of **£300 + VAT (£360)**, will be deducted from the first month's rent for each completely new tenancy.
- 6.2 Our commission is calculated at **10% + VAT** of the gross rent premium for the management and will be deducted from the rent payment being monthly or quarterly.

7. Let Only Service (Tenant Finder)

- 7.1 Our commission is calculated at **60% + VAT** of a month's rent but subject to a minimum fee of **£300 + VAT (£360)**.
- 7.2 Payment is due in full at the start of the tenancy. Fees will be deducted from the initial rent received from the tenant at the commencement of the tenancy. If the letting fee is more than the initial rent the balance must be paid to us at the commencement of the tenancy. The Tenancy Agreement will be retained until any outstanding fees and expenses have been paid to us.

8. Other charges

- 8.1 If we collect the rent or manage the Premises we will deduct the reasonable expenses and costs incurred from acting on your behalf during the tenancy from the rent.



9. General Terms and Conditions

9.1 Consent for Letting

You must provide us with sufficient documentary evidence to satisfy us that you are legally entitled to grant a tenancy of the Premises. If the Premises are registered with the Land Registry we reserve the right to obtain office copy entries. If the Premises are unregistered we reserve the right to carry out such investigations that we consider necessary. The cost of these searches will be charged to you in addition to our commission. By signing these Terms and Conditions you warrant to us that you are the owner of the Premises, or otherwise lawfully entitled to enter into the Tenancy Agreement.

9.2 Mortgage

If the Premises are subject to a mortgage, we will need your mortgagee's written consent to the proposed letting as soon as possible. The mortgagee may want to see a copy of the draft Tenancy Agreement which can be supplied upon their written request. The mortgagee may charge you a fee for giving their permission. If your mortgagee has any special conditions relating to the tenancy or type of tenant you must provide them to us prior to the start of the tenancy to be included within the Tenancy Agreement. Conditions cannot be imposed upon a tenant at a later date.

9.3 Sub-letting

If you are a leaseholder, you will normally require the consent from your superior landlord, freeholder or their managing agent before you can sub-let the Premises to an applicant. In giving consent the superior landlord or their managing agent may require you to provide references for your tenant and for you and your tenant to enter into an agreement to observe the covenants contained in your head lease. A fee may be charged for granting consent to sub-let which is your liability. We will need a copy of the head lease together with any schedules referred to therein so that we can attach a copy of this to our draft Tenancy Agreement. If the tenant is not given a copy of the relevant section of the head lease you cannot impose any obligations contained in it upon the tenant. This could lead you to breach the terms of your lease.

9.4 Insurance

It is essential that the Premises and contents included in the Inventory and Schedule of Condition are adequately insured and that your insurers are aware that the Premises are let. Failure to do so may invalidate your insurance.

You must inform your insurers whenever the Premises remain vacant for a period greater than specified in your insurance policy. You should also check that your insurance policies include third party liability to protect you if the tenant or a visitor to the Premises is injured. You must give us copies of the relevant sections of the policies to attach to the Tenancy Agreement at the start of the tenancy. We cannot be responsible for the renewal of your insurance cover. We strongly recommend you arrange for an insurance policy which covers loss of rent and contents, and legal expenses.

9.5 Taxation

You will be liable for tax on rental income and you must inform the Inland Revenue that you are letting the Premises. There are a number of allowances that you can claim against this rental income. You should seek advice on these allowances from your accountant or from the Inland Revenue website which can be accessed on www.hmrc.gov.uk. You must also keep all your invoices for six years for tax purposes. You should also be aware that we forward a form to the Inland Revenue annually detailing all landlords whose property we have let regardless of the country of residence of that landlord. The Inland Revenue has special rules regarding the collection of tax on rental income if you are a landlord who is resident overseas for a period of more than six months in any tax year, or you subsequently move abroad. If you fall into this category it is your responsibility to obtain a tax approval number from the Inland Revenue. The relevant form and guidance notes can be downloaded from the above website. Until that approval number is given to us by the Inland Revenue we are legally obliged to deduct tax from your rental income at the prevailing rate which is currently 20%. This money is forwarded to the Inland Revenue on a quarterly basis. If the tenant pays you direct and he has not received approval from the Inland Revenue to pay the rent gross he must deduct tax and forward that to the Inland Revenue on your behalf. No person is exempt from this scheme.

9.6 Safety Legislation

Electrical Equipment (Safety) Regulations 1994

You are responsible for providing instruction books for all items of electrical equipment and for ensuring that all electrical appliances within the Premises comply with the above Regulations. Although not a legal requirement, we strongly recommend that you carry out an annual PAT test (Portable Appliance Test) to ensure that all electrical appliances are safe and should be used by tenants.

THE FURNITURE and FURNISHINGS (FIRE) (SAFETY) REGULATIONS 1988/THE FURNITURE and FURNISHINGS (FIRE)(SAFETY)(AMENDMENT) REGULATIONS 1993

It is a criminal offence punishable by a fine and/or a prison term to let Premises with furniture or soft furnishings which cannot be proven to comply with the above fire safety regulations. By signing this Agreement you give us authority to remove any item that does not have a fire label attached to it. The Regulations apply to the following which must be match resistant, cigarette resistant and carry a permanent label:

- all upholstered furniture;
- three piece suites;
- beds and divans including the upholstered bases;
- padded headboards;
- sofa-beds;
- furniture with loose or fitted covers;
- children's furniture;
- cots and other items used by a baby or small child;
- cushions;
- high-chairs;
- mattresses of any size;
- pillows;
- garden furniture which may be used indoors.

Gas Safety (Installation and use) Regulations 1998

It is a criminal offence to let Premises with gas appliances, installations and pipe-work that have not been checked by a GasSafe Registered Engineer. You will need to provide us with a copy of a Gas Safety Certificate (GSC) carried out no more than 12 months previously. If this GSC is not sent to us when you return this Agreement you give us authority to arrange for a gas safety check. The GSC will need to be renewed at 12 monthly intervals. We need to give your tenant documentary proof of your compliance with these Regulations at the commencement of the tenancy and within 28 days of the GSC being renewed. If you use your own contractor we will need proof of their GasSafe registration. **No tenancy can commence until we are in receipt of a valid GSC.**

Smoke Alarms and Carbon Monoxide Alarms

It is law that all newly built premises from June 1992 must have mains fitted smoke alarms with battery back up. Legislation insists that the same criteria apply to Houses in Multiple Occupation. Other properties do not require smoke alarms by law. However if battery operated smoke alarms are fitted to the premises the landlord must ensure that the alarms are in working

order at the start of the tenancy. It is not law that carbon monoxide detectors are fitted to premises. However, we strongly recommend that you install smoke alarms and carbon monoxide detectors to protect the tenant and help any legal action being taken against a landlord if a tragedy occurs.

9.7 Energy performance certificates (EPC)

As from October 1st 2008 all properties going on the market for letting must have an EPC. A copy must be given to the tenant with written details or prior to the first viewing. The landlord must provide us with an EPC when first giving instructions. The premises cannot be marketed without an EPC. We can arrange an EPC on your behalf. The cost is £75.00 + VAT (£90.00).

9.8 The Deposit

We will collect the deposit together with the initial rental payment from the tenant at the commencement of the tenancy and register the deposit with the Deposit Protection Scheme unless otherwise instructed in writing not to do so. For all landlords using our Let Only service, it is your responsibility to provide the tenants with the required prescribed deposit information.

9.9 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.

9.10 Rent Arrears or Breach of Covenant

It is your responsibility to take all necessary steps to ensure that actions are taken to protect your interests, including instructing solicitors and commencing legal proceedings to preserve your rights and recover arrears of rent and to defend all actions or other legal proceedings and arbitrations that may be brought against you in connection with the Premises. All costs and disbursements incurred including legal costs and disbursements will be payable by you.

9.11 Reimbursement of Agent

You will keep us reimbursed in respect of any claim damage or liability whether criminal or civil suffered from and during the time that we are or were acting on your behalf unless it is due to our negligence or breach of contract. For the avoidance of any doubt we reserve the

right to have work carried out on your behalf and to charge you for that work to ensure that you fulfill your contractual and statutory obligations as landlord.

9.12 Housing Act 2004

The regulations in the above Act concerning houses in multiple occupation ("HMOs") became law on April 6 2006 and were enforceable from July 2006. There is a general wide definition of the regulations which state that the following are HMO's:

- Properties inhabited by 3 or more people who are not a household and share kitchen and bathroom facilities. A household is defined as parents, grandparents, children, aunts, uncles and cousins.
- Student accommodation during term time
- A building converted into flats pre June 1992 which does not comply with the Building Regulations 1991, has not been subsequently up-dated to the relevant fire safety standard and where a third or more of the properties are rented on short term tenancies.

The landlord may not have to carry out any action to ensure compliance. The above properties like all private dwellings must comply with the Housing Health and Safety Rating System ("HHSRS") which is the new statistical means of measuring hazards and risk of injury at a property. This system applies to all properties but those falling into the above category are subject to inspection by the environmental health officer. The responsibility for ensuring premises comply is that of the Landlord. If we accept an instruction to let premises and subsequently an order is served to comply with the HHSRS if we incur any costs for compliance due to an order being served upon us you the Landlord agree to reimburse us within 14 days of written demand agreeing by signing this document that the costs may be deducted from the rent or other money received.

Mandatory Licensing

Under the Housing Act 2004 landlords of certain properties where individuals are living as more than one household will need to be licensed by their local authority. If your Premises potentially require a licence you will either need to obtain a license from the relevant Local Authority or we will only be able to let your Premises to a single family group. The Premises will require a licence if it falls into the following definition. If the Premises are three storeys or more and has five or more occupiers who do not form one household and share kitchen or bathroom facilities it is subject to mandatory licensing. It is the responsibility of you the Landlord to apply and pay for the licence. We will only offer Premises for let when we are in receipt of a copy

of the mandatory licence or a certificate stating that the Landlord has applied for the licence. If you refuse to supply us with a copy of your licence or refuse to obtain one, we will not accept any further instruction from you and will take no further part in the letting and management of your Premises. If we are forced to dis-instruct ourselves once a tenancy has commenced, you will remain liable for our full fees for the initial term of the tenancy. We will inform the tenant and the relevant Local Authority of our reasons for dis-instructing ourselves in writing.

Discretionary Licensing

Local authorities can enforce discretionary licensing. We will advise you of any regulations of which we have been made aware but it is the responsibility of the Landlord to check whether the Premises are subject to discretionary licensing and if so to apply and pay for the licence. We will only offer the Premises for let when we are in receipt of the licence or the certificate proving that the Landlord has applied for one.

9.13 Interest on clients' monies

Any interest accrued on clients' money which we hold will be retained by ourselves to cover bank and administration charges etc.

9.14 Money Laundering

In order to comply with the Proceeds of Crime Act 2002 and the Money Laundering Regulations 2003 we require you to provide us with one proof of identity and one proof of residence. You should either send us the original documents for copying and returning to you; or provide us with copies certified by a solicitor as genuine.

9.15 Termination

Either party has the right to terminate this Agreement in writing:

- upon the Tenant's vacation;
- or if the other party breaks any important term or condition of this Agreement during a Tenancy where written notice has been given, the party fails to remedy the breach within thirty days and monetary compensation is wholly inadequate.

Either party may withdraw your instructions to manage the Premises upon giving three months' written notice. We may terminate our retainer immediately if you are in major breach of any of the terms contained in this Agreement or if you do or do not do something which makes it impossible, impracticable or illegal to continue providing these services.



9.16 Assignment

We reserve the right to assign our rights and or obligations under this Agreement upon giving you one month's written notice.

9.17 Data Protection Act 1998

In order to comply with the Data Protection Act 1998 to prevent any unauthorised access to or use of personal data we have the responsibility to keep information confidential and will only use it if fees are not paid and we wish to refer the matter to a debt collector or solicitor; or if we are specifically required do so by law or to pass it to a government agency by law; when instructing solicitors; to change account details for utility suppliers and the council tax into or out of your name; when a contractor's invoice has not been settled by you.

9.18 Service of Notices

The provisions for the service of notices are that if either party deliver by hand any Notices or documents which are necessary under the Agreement, or any Act of Parliament to the other party by 5pm or the last known address of the other party; the documents or Notices will be deemed delivered on the next working day which excludes Saturdays Sundays and Bank Holidays; or if any documents or Notices are sent by registered, or recorded delivery post the documents will be deemed delivered upon proof of delivery being obtained; or if the documents or Notices are sent by ordinary first class post addressed to the other party or the last known address of the other party; the documents or Notices will be deemed delivered two working days later, which excludes Saturdays, Sundays and Bank Holidays. The address for service for the Landlord will be the contact address specified in this Agreement and the address for service for us will be **Hogg and Hogg Ltd., 20 Maryport Road, Penylan, Cardiff, CF23 5JX.**

9.19 Definitions

In this Agreement the use of the singular includes the plural and the use of the masculine includes the feminine. If there is more than one person signing as the Landlord all parties will be jointly and severally liable for the obligations contained in this Agreement. Jointly and severally liable means that each person will be responsible for complying with the obligations and paying all charges and costs under this Agreement, both individually and together.

9.20 Proper Law and Jurisdiction

This Agreement shall be governed by and construed in accordance with the law of England and Wales.

Terms and Conditions

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THE LETTING / MANAGEMENT OF YOUR PREMISES CAN NOT PROCEED UNTIL THIS DOCUMENT HAS BEEN SIGNED, DATED & RETURNED TO US.

Between

Name: Hogg and Hogg Ltd
Address: 20 Maryport Road
Penylan
Cardiff
CF23 5JX

And

Name(s) of legal owners:

Address:

Postcode:

Telephone Number(s):

Email address:

Premise address:

Postcode: Price: £

I/We accept the above terms and conditions and I/We instruct Hogg and Hogg to act on my/our behalf for the purpose of:

☐

Fully Managed plus Rent and Legal Protection
55% + VAT Set Up Fee
and 13% + VAT PCM

☐

Fully Managed
55% + VAT Set Up Fee
and 10% + VAT PCM

☐

Tenant Finder
60% of the first month's
rent plus VAT

Notes:

I/We acknowledge my/our obligations under the Furniture and Furnishings (Fire) (Safety) Regulations 1988 as amended 1993, The Gas Safety (Installation and Use) Regulations 1998 and the Electrical Equipment (Safety) Regulations 1994 and I/we accept and confirm that I/we have full responsibility to ensure that I/we comply with their requirements before and during the letting of the Premises.

I/We the undersigned am/are the only people with any interest in the Premises

I/We confirm that there is no major repairs, construction or maintenance work of which I/we are aware due to be carried out to the property, any adjoining or the of which the property form part apart from as noted below.

By signing below I agree to all of the Terms and Conditions and also give consent for Hogg and Hogg to sign the Tenancy Agreement on my behalf.

Signed:

Signed:

Name:

Name:

Date:

Date:

From 1st October 2008, it is now a requirement that all contracts entered into in a client's home, workplace or on excursions are given a 14 day right to cancellation. Should you wish to cancel this contract, then it MUST be done in writing. It must be addressed to the Manager at Hogg and Hogg at the appropriate Branch. Notice of cancellation is effective from the date of service/posting and proof of posting will be requested. You will be liable to pay for any materials supplied, services received and any such work undertaken at the time of cancellation.