



# AGENCY AGREEMENT

# TERMS of AGENCY AGREEMENT

By this Agreement, the person, firm or company identified in the particulars below (**Property Owner/You**) appoints **COOMBE RESIDENTIAL LIMITED**, a company registered in England and Wales with registration number 04496526 whose registered office is at 259 Coombe Lane, Wimbledon, London, SW20 0RH (**Letting Agent/We/Us**) as its Sole and Exclusive agent to provide the services indicated in the particulars (**Services**) and agrees to pay the Letting Agent the charges and the expenses, subject to the terms and conditions and the Letting Agent accepts such appointment.

Property Owner (YOU)

Name(s) .....

Address .....

..... Postcode .....

Address of Property  
(if different from above) .....

..... Postcode .....

The Services  Letting Only  
 Letting and Rent Collection Only  
 Letting, Rent Collection and Management

Start Date.....  
Minimum Term .....  
(MONTHS COMMENCING ON THE DATE OF THIS AGREEMENT)

## THE CHARGES (exclusive of VAT)

### Letting Only (12% inc VAT)

- 10% of the Gross Rental payable throughout the term of the Tenancy

### Letting and Rent Collection Only (15% inc VAT)

- 12.5% of the Gross Rental payable throughout the term of the Tenancy

### Letting, Rent Collection and Management (18% inc VAT)

- 15% of the Gross Rental payable throughout the term of the Tenancy

### Tenancy Set-up Fee

- £240 inc VAT

### Renewal Fee

- £115 inc VAT

### Tenant's Reference

- £42 inc VAT per Reference

### Registration of Tenant's Deposit

- £30 inc VAT per Annum

### Check In & Out and Inventory Compilation

- From £100 (scaled according to the size of the property)

### Estimates and Overseeing Work before Tenancy

- 10% of the Gross Cost of Works (min. £60 inc VAT)

### Arranging Works where Services do not include Management

- 10% of the Gross Cost of Works (min. £60 inc VAT)

### Administration of Tax Returns (TMA)

- £360 inc VAT per Property per Annum

### Duplication and Testing of extra keys

- Cost of Keys + £12 inc VAT

### Issuing Notice of Seeking Possession

- Legal Costs + £60 inc VAT

### Expense Limit

- £250 (incurred on any single item or expense) if the Property Owner resides in the UK or £500 if the Property Owner resides overseas.

## LETTING ONLY SERVICE

Letting Only Service is tailored to those landlords who are local or have someone local to their property that can manage one property and organise any ongoing maintenance/emergency repairs when necessary. Where the Landlord does not wish the Agent to undertake full management, the Agent can provide a Letting Only Service which includes:

1. Advising as to likely rental income.
2. Advertising and marketing the property.
3. Interviewing prospective tenants and taking up references including bank or employer references or previous landlord and character reference. Where necessary, additional security would be requested by means of a guarantor.
4. Preparing the Tenancy Agreement 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.
5. Arranging all utilities, reading the meters and advising of the transfer of service to the tenant at the beginning of each tenancy.
6. Taking a deposit from the tenant to be held by the Agent as stakeholders until the end of the Tenancy.

The fee for this Service is taken as a percentage of 10% + VAT of the gross rental for the term of the tenancy. The fees are payable at the commencement of the Tenancy, unless an alternative arrangement is agreed, and will be deducted from monies received by the Agent on the Landlord's behalf.

## STANDARD MANAGEMENT SERVICE

Coombe Residential Estate Agents provides a property management service to owners abroad or those who do not wish to be involved with the tenants directly after the initial set up of the tenancy. The standard fee for the management is taken as 15% + VAT of the gross rents due for the period of the tenancy on a monthly basis. A Tenancy Agreement fee will be levied at the outset for arranging the tenancy and for renewals.

### Standard Management Service includes:

1. Collecting the rent and paying over to our Landlord (normally sent within 15 days of collection) less any fees or expenses due or incurred for the period. Payments will be made directly to the Landlords bank account, unless prior arrangements have been agreed, together with a detailed rent statement.
2. Liaising with a Landlord's mortgages where necessary with regard to references and Tenancy Agreement.
3. Regular inspections of the property will be carried out upon request. Responsibility for and management of empty property is not included, and will only be carried out by special arrangement.
4. Co-ordination of repair or maintenance including arranging tradesmen to attend the property and obtaining estimates where necessary, overseeing works and settling accounts from rents received.
5. Making payments on behalf of the Landlord from rents received for insurance premiums where requested.
6. Arranging for an inventory check at the commencement and end of the tenancy and dealing with matters relating to unfair wear and tear before releasing the tenants deposit.

Additional items and other expenses will be charged according to the scale of fees defined below. Although the aim is to take care of managing the property, Coombe Residential Estate Agents cannot accept responsibility for non-payment of rent or other default by tenants, or any associated legal costs incurred in their collection. An insurance policy is recommended for this eventuality.

## TENANCY DEPOSIT PROTECTION

As of April 2007, it has been a legal requirement for all Assured Shorthold Tenancies to be protected by a government approved Tenancy Deposit Scheme. The scheme has been put in place in order to protect both Landlords and Tenants in the event that a dispute over the deposit arises and cannot be agreed amicably at the end of the tenancy. Coombe Residential will still hold the deposit but in the event of any problems, would forward the deposit and any paperwork to the scheme for resolution. For further information, please ask the Rental Department.

## RENEWALS

Where the tenancy is renewed or extended to the same tenant (or any person associated with the tenant) originally introduced by the Agent, commission will be charged at the same rate as the initial term. The Agent

shall prepare the Renewal Agreement for the extended tenancy. There will be a total cost amounting to £115 including VAT of preparing the renewal documentation.

#### **STAMPING AGREEMENTS**

All Tenancy Agreements above the sum of £125,000 gross rental per tenancy term, are required to be stamped by the Inland Revenue. Costs to be advised accordingly.

#### **PRIVATE INTRODUCTION**

If a party introduced by us or any person or corporate body associated with that party, subsequently purchases the property, whether before or after entering into a Tenancy Agreement, you will pay us commission on completion of the sale at the rate of 1.5% of the sale price plus VAT (if applicable).

#### **GENERAL AUTHORITY**

The Landlord confirms that he/she is the sole or joint owner of the property and that he/she 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. Where retained for Management the Landlord authorizes the Agent to carry out various duties of property management as detailed 1-6 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 and retain commission on insurance policies issued.

#### **INDEMNITY**

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

#### **MAINTENANCE AND MANAGEMENT**

The Landlord warrants that the property is made available in good and habitable 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. Where retained for management, subject to retained minimum expenditure limit (UK landlords: £250, overseas landlords: £500) on any of 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 tradesman for substandard work. By law, it is necessary to carry out an annual inspection and service for the central heating and any gas appliances. Where retained for management the Agent will cause these to be carried out on the Landlord's behalf and expense and administer the necessary inspection and maintenance records. Where the Agent is not retained for management the Landlord must provide contact numbers to ensure the tenants can easily contact the Landlord should any maintenance problems occur. Arranging works at the request of the Landlord when the Agent is not retained for the management of the property will attract a fee of 10% of the gross cost of the works with a minimum fee of £200. (Please note that we do not manage the property between the tenancies)

#### **INSPECTIONS**

Under the Standard Management Service, the Agent will normally carry out an inspection after the third month and thereafter on a six monthly basis or sooner if requested. 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 (ie: house 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 area and gardens). Where these were felt to be unsatisfactory, a more detailed inspection would generally be made. If the property is being managed, the Agent will arrange for an inventory clerk to carry out a final inspection of the property. 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 the Landlord require it. Any damages would normally be submitted to the Landlord together with any recommended deductions or replacement values. It is agreed that the Agents judgment will be final in this matter. Subject to agreement,

any claim of £3,000 or less may be referred to arbitration with the ARLA (Association of Residential Letting Agents), any costs being shared by Landlord and Tenant, or as directed by the Arbitrators.

#### **OVERSEAS RESIDENTS**

When letting property and collecting rents for Landlords overseas, the Agent is obliged by the Taxes Management Act (TMA) 1970 and the taxation of income from Land (Nonresidents) Regulations 1995 to deduct tax (at the basic tax rate) to cover any tax liability, unless the landlord has been authorized in writing by Inland Revenue to receive rent gross. 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, Landlords tax liability is minimal when all allowable costs are deducted.

#### **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 utility companies of change of occupation. In many cases, the service companies (eg. BT) require that the new occupiers formally request and authorize the service. It is not possible for the Agent to do this on the tenants or Landlord's behalf. Regarding postal mail, Landlords should take care to inform all parties (eg. Banks, clubs, societies, etc.) of their new address; it is not always possible to rely on tenants to forward mail.

#### **INVENTORY**

The Agent will arrange an inventory to be compiled for the property and a charge will be made for this depending on the size of the inventory. The standard inventory will include all removable items in the property (except those of negligible value) plus carpets, curtains, mirrors, sanitary ware and other articles that, in the opinion of the Agent, need regular checking. Landlords should not leave any articles of exceptional value in the property without prior arrangement with the Agent. The inventory service includes a full schedule of condition of ceilings, walls, doors & fittings, etc. Photography can be prepared at the Landlord's request.

#### **TENANCY AGREEMENT**

The standard Management Service and the Letting Service includes the preparation of a tenancy agreement as recommended by ARLA (The Association of Residential Letting Agents). Should the Landlord or his advisors or mortgagees require amendment of the contract or require the Agent enter into further work or correspondence, a further fee for this work may be requested. It is agreed that the Agent may sign the tenancy agreement for and on behalf of the Landlord.

#### **ADMINISTRATION FEES & DEPOSITS**

A holding deposit 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 administration fee does not protect the Landlord against loss of rent due to the tenant deciding to withdraw, or references proving unsuitable although early acceptance of rent from the applicant would not be advisable until satisfactory references have been received. Upon signing the tenancy agreement, the Agent will take a security deposit from the tenant in addition to any rents due. The purpose of the security deposit is to protect the Landlord against loss of rent or damage to the property during the tenancy itself. These deposits are held by the Agent as stakeholder and will be kept in a separate and secure client account ready for refunding (less any charges due) at the end of the tenancy. The deposit, where necessary, will be registered with a Government approved Tenancy Deposit Scheme.

#### **LANDLORD FEES & COMMISSIONS**

The fees from the Landlord are due and payable on a tenant entering into a tenancy agreement with the Landlord. It is agreed that Coombe Residential will deduct such fees and commission due from rent monies collected.

## TERMINATION

This agreement may be terminated by either party by way of two months' written notice. The minimum fee of £250 applies if on termination the total fees due are less than the Minimum Fee. If the Landlord intends to continue letting to tenants introduced by the Agent after the termination of this agreement, the Agent will be eligible for a commission fee equivalent to the Letting Service fee during the continuation of the tenancy. 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 to the Landlord as soon as possible. Landlords should be aware that the legal minimum notice period to tenants under assured short hold 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 tenancy which is due to expire.

## SAFETY REGULATIONS

**WARNING: You should read and understand these obligations before signing. 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 provided. The following regulations apply:**

- **FURNITURE AND FURNISHINGS (FIRE) (SAFETY) REGULATIONS 1988**  
– GENERAL PRODUCT SAFETY REGULATIONS 1997
- **GAS SAFETY (INSTALLATION AND USE) REGULATIONS 1994**  
– GAS COOKING APPLIANCES (SAFETY) REGS 1998
- **ELECTRICAL EQUIPMENT (SAFETY) REGULATIONS 1995**  
– PLUGS AND SOCKETS (SAFETY) REGULATIONS 1997
- **SMOKE ALARMS** – The Landlord will be responsible, for ensuring that all smoke alarms are fully functional and fitted with new batteries prior to a new tenant moving into the property.

The Landlord confirms that he/she is 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. The Landlord agrees to indemnify the Agent against any expenses or penalties that may be suffered as a result of noncompliance of the property to fire and appliance safety standards. The mentioned regulations are subject to change and the Landlord accepts responsibility for ensuring that any amendments to either existing legislation and conditions made mandatory by new legislation are fully met.

## ENERGY PERFORMANCE CERTIFICATE

A valid energy performance certificate (EPC) is required for all properties offered for rental. The EPC must at least be commissioned before marketing commences and should be in place within 7 days. If it is not in place within 28 days the property must be withdrawn from the market until the EPC is available. If you instruct us to commission the EPC for you, Coombe Residential will contact the energy assessor with your details and he or she will contact you to make payment and arrange access to the property.

- A valid EPC is already in place
- The client has commissioned an EPC privately and evidence has been provided
- The agent will instruct an assessor and the client will pay the assessor's fee directly

## 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.

## 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 1.5% of the sale price, plus VAT (if applicable).

## VALUE ADDED TAX

Our fees are subject to VAT at the appropriate rate (currently 20%). (Where possible we have listed fees inclusive of VAT).

## INSURANCE

The Landlord is hereby advised to ensure that there is insurance cover in force in respect of buildings and contents, if applicable and that the

insurer is aware that the property is available for letting. Please also ensure that the insurance company is notified of the date of occupancy.

## 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 authorized to instruct a solicitor on the Landlord's behalf). The Landlord is responsible for payment of all legal fees and any related costs.

## ARBITRATION

Should a dispute arise between the Landlord and the Tenant, the Landlord agrees to use an independent arbitrator recommended by ARLA and agree and abide by their decisions.

## DATA PROTECTION

The Landlord hereby acknowledges and agrees to the agent storing information relating to both property and the Landlord on computer.

## LANDLORD CONFIRMS

The Landlord confirms that he is the sole or joint owner of the leasehold or freehold interest in the premises and that all appropriate consent necessary for him to sign this agreement have been obtained. All insurers must also be informed.

## SOLE LETTING RIGHTS

It is agreed that only Coombe Residential may let the Property.

WHERE YOU REQUIRE US TO BEGIN ACTIVE MARKETING IMMEDIATELY THIS MUST BE SPECIFICALLY INDICATED HERE

Please begin immediate marketing of the property

LANDLORD

Signed .....

Date .....

Signed .....

Date .....

If you do request that we begin immediate marketing of your property during the cancellation period and you do exercise your right to cancel, you will be required to pay the amount of **£500 +VAT** to cover all reasonable expenses incurred. Should we introduce or have negotiations with the ultimate buyer of the property before you exercise your right to cancel, the contract will have been fully performed and the agreed agency fee would be due, notwithstanding that cancellation took place.

This agreement is governed by English Law and is subject to the exclusive jurisdiction of the courts of England and Wales.

- You should not sign this agreement unless you have read, understood and agreed to these terms and conditions.
- When you sign this agreement you are doing so on behalf of all owners of the property.
- You hereby confirm your instructions and authorise us to act on your behalf in the sale of the above property.
- You acknowledge receipt of a copy of this agreement.

AGENT

Signed .....

Date .....

Coombe Residential Ltd, registered in England and Wales  
company registration number 04496526 is pleased to accept the  
client instructions to market the above property.

**Money Laundering Regulations (2007)**

In accordance with the Regulations we are required to confirm the identity of all seller(s) of the property. We are also required to keep a record of the evidence we have verified. If for any reason we are unable to confirm your identity in the course of establishing a business relationship with you, we reserve the right to withdraw the property for sale until formal proof of identity is received.

	Seller One	Seller Two
Name	<input type="text"/>	<input type="text"/>
Proof of I.D. Seen	<input type="text"/>	<input type="text"/>
Doc. No.	<input type="text"/>	<input type="text"/>
Date of Issue/Exp.	<input type="text"/>	<input type="text"/>
Issuing Authority	<input type="text"/>	<input type="text"/>
Place/D.O.B.	<input type="text"/>	<input type="text"/>
Proof of Residency	<input type="text"/>	<input type="text"/>
Date of Issue	<input type="text"/>	<input type="text"/>
Name of Issuer	<input type="text"/>	<input type="text"/>
Ref. Number	<input type="text"/>	<input type="text"/>

Coombe Residential representative .....

I have verified the identity of the seller(s) by checking the original documentation listed above

Signed .....

Date .....