

Willsons

SINCE 1842



RESIDENTIAL LETTING
&
MANAGEMENT SERVICE

TERMS OF ENGAGEMENT

Terms of Engagement

This Agreement is made between Willsons (the trading name of Willsons Property Professionals Ltd) of 16 Alghitha Road, Skegness, Lincolnshire, PE25 2AG, as the Agents and you, the Landlord. Please read the agreement carefully, if you have any questions, please do not hesitate to contact our team. We are unable to proceed until you have signed these terms and provided us with the relevant information including proof of I.D.

It is hereby agreed as follows:-

1. APPOINTMENT & AUTHORITY

The Landlord agrees to:-

Sole Agent: Appoint Willsons to act on your behalf with effect from the date identified below as sole agent for the period of the agreement and you may not appoint another agent during this period. You agree to instruct Willsons who will act on your behalf in good faith.

Indemnity: Indemnify Willsons against all expenses, claims and liabilities incurred in the proper performance of their obligations under this Agreement and to pay the fees and charges as specified in these terms of business.

Declaration of Ownership: Declare to Willsons all joint owners and to confirm that all relevant consents to let the property have been received and to confirm that you are entitled to enter into this contract and receive the rent and to inform Willsons of any special terms or conditions required by any superior lessors or lenders of the property.

Property Condition: Ensure the property is safe for letting in accordance with the current legislation. Willsons cannot be held liable for any defect in the property, equipment or materials whether or not such defect be latent or apparent.

Fees & Expenses: Agree that Willsons may deduct the amounts due for fees or expenses under this contract and to pay contractors from monies otherwise due to you under this contract.

Signature: Sign the Tenancy Agreement and legal notices or allow Willsons to sign on your behalf.

Retention of Interest: Allow Willsons to retain any interest earned on Client's money held in the Willsons Clients Premium Account as detailed (in Clients' Money below).

Taxation: You have responsibilities to pay Income Tax on rental income and Willsons will provide you with statements suitable for this purpose. We recommend that you take advice from an accountant for further information. If you are to be resident overseas, please contact hmrc.gov.uk for advice on taxation on rental income received.

'To Let' Board: This agreement gives Willsons the authority to erect a 'To Let' & 'Let & Managed' board within the curtilage of the property, subject to local regulation unless specific instructions to the contrary are provided by you. The board will remain the property of Willsons and will be removed as appropriate.

Variation: Willsons reserves the right to vary any of the terms of this contract at the end of any fixed term tenancy by serving you with a least 2 months' notice.

2. LANDLORD RESPONSIBILITIES

Mortgages: If your property is subject to a mortgage, it is your responsibility to get permission from your mortgagee to rent out the property and provide a copy of the consent.

Insurance: Whilst the property is let, it is necessary for you to inform your insurers of the status and to adequately insure the structure and contents. Many landlords take Third Party Liability to cover against any claim made by a tenant or anyone affected by a defect which causes damage or personal injury. There are also Landlord Rent Guarantee and Legal Expenses Insurances available, please provide us with a copy should you have this in place.

Gas Safety: It is a legal requirement to have an annual gas safety inspection and any necessary repairs or maintenance carried out by a Gas Safe Registered Engineer on gas fires, central heating boilers, gas cookers, pipework, flues, and chimneys. We will arrange a safety check by a qualified contractor and obtain the Gas Safety Certificate.

Electricity: It is a legal requirement that your property has had an electrical inspection condition report carried out which is in date and shows the property as being safe to let. It is the landlord's responsibility to ensure that the electrical installation and all electrical appliances are safe and in full working order being compliant with all relevant regulations before a tenancy agreement is signed. As Managing Agent, Willsons will arrange a qualified electrical engineer to check the property as frequently as is required at your expense.

Smoke Alarms & Carbon Monoxide Detectors: On every floor of the property where there is a habitable room it is a mandatory requirement to have smoke alarms fitted. In addition, carbon monoxide detectors must be in every room where there is a fixed combustion appliance. Landlords are required to check that the alarms are working at the start of every new tenancy. Any chimneys with open fires or fuel burners should be regularly swept. New residential buildings are all now fitted with mains powered smoke alarms.

Energy Performance Certificate (EPC): It is now a statutory requirement that, prior to marketing, any residential property to let has an EPC (being no more than 10 years old) and with a rating of Band A to E which must be available to a prospective tenant. As Managing Agent, Willsons will arrange for an Energy Performance Certificate Assessor to carry out an inspection at a competitive cost and provide a copy of the EPC to you and the tenant, retaining the original document on file. Willsons can give advice on properties that may be exempt from requiring an EPC.

Water Testing (Legionella Risk Assessment): Landlords are required to perform a risk assessment on the water supply for Legionnaires Disease. This is particularly important if the water is via a non-mains supply, we can advise and recommend contractors who are able to perform sampling if required.

Furniture & Furnishings: We strongly recommend to all our landlords that they let their properties empty of any furniture and furnishings thereby avoiding the complexities of complying with the fire resistance requirements.

Instruction Manuals: You must provide your tenants with instruction manuals for appliances within the property. The manufacturers have a duty to make these available on the internet. If Willsons are required to provide instruction manuals, we will make a minimum charge of £20 plus VAT for this.

Periodic Inspections: As Managing Agent, Willsons aim to undertake an inspection after the initial first 3 months and then 9 months later (unless we consider an earlier inspection is required) and thereafter annually. This is to assess the condition of your property and ensure the tenants are carrying out their obligations. We will provide you with a copy of the inspection notes and any recommendations.

Repairs: You must keep the structure, exterior and interior of the property safe and in good repair. This includes the installations supplying gas, water, electricity, and sanitation appliances. Please provide Willsons with the details of any guarantees or repair contracts.

Tenants are responsible for keeping the property in a reasonable manner, accepting that fair wear and tear takes place and may only carry out works and redecoration with your written permission.

The Association of Residential Letting Agents (ARLA) detail within the Code of Practice the following guidelines based on an average family living in a property under normal circumstances.

Decoration:

Room	Life Expectancy
Hall, Stairs & Landing	2 to 3 years
Kitchen & Bathroom	2 to 3 years
Living Room	4 years
Dining Room	6 years
Bedrooms	6 years

Carpets:

Type	Life Expectancy
Budget quality	3 to 5 years
Medium quality	5 to 10 years
Top quality	Up to 20 years

Appliances:

Type	Life Expectancy
Cooker	4 to 6 years
Fridges & Freezers	5 to 8 years
Washing Machine	3 to 5 years

You give Willsons the authority to instruct contractors to undertake repairs to your property up to the sum of £250 plus VAT without any further authority and to withhold sufficient monies, from the rent paid, to pay the contractors.

Willsons will generally seek your permission for any repairs and will use only approved contractors. However, we reserve the right to instruct contractors immediately in case of emergencies.

Where refurbishment or major repair works require Willsons to obtain several quotations, oversee works and carry out works inspections, Willsons reserves the right to charge an administration fee of 10% based on the total net invoice of works.

Right to Rent: On your behalf, we will check that all people living in your property (as their only and main home) aged 18 and over have the 'Right to Rent' in accordance with the Immigration Act.

Tenant Referencing: Willsons use an external company to provide a comprehensive reference including credit reference on all prospective tenants and guarantors to try and ensure they are suitable to rent your property.

Tenancy Agreement: Your property will be let using a Royal Institution of Chartered Surveyors (RICS) Assured Shorthold Tenancy Agreement for an initial fixed term of 6 months. To end the tenancy, you must serve at least 2 months' notice, but the tenants need only give you 1 month notice. After the initial 6 month term, subject to your agreement, the tenancy can either continue monthly or be renewed for a new fixed term to give you peace of mind.

Willsons will ensure that the tenants are provided with the 'How to Rent' booklet produced by the Department of Communities & Local Government and any other documentation as required to enable an effective Notice to Quit to be served at any stage, with the correct notice, to end the tenancy after the initial 6 months.

Inventories: Before the tenants take occupation, Willsons will provide a comprehensive inspection of contents and schedule of condition collated in a detailed photographic Inventory which will then be agreed and signed between you and the tenants. A copy of the inventory will be sent to both parties, This document may prove invaluable when the tenancy ends and in the event of any deposit negotiation or dispute. The costs are dependent on property size and are shown in the Services Charges.

Clients' Money: All monies received from the letting of your property is held in our Clients Premium Account at Barclays Bank Plc, 65 Lumley Road, Skegness, Lincolnshire, PE25 3LU. Whilst you can be entitled to the interest earned on the money, you hereby agree to allow Willsons to retain this interest to save us charging for the extra costs incurred in calculating these small amounts. The monies are held in this account on your behalf ie. it is not Willsons' money. You will be 'paid out' directly into your account by BACS once funds have cleared.

The above is in accordance with the recommendations from the Royal Institution of Chartered Surveyors (RICS). As an investor, we recommend you ensure you are adequately protected by the Financial Services Compensation Scheme (www.fscs.org.uk).

Rent Reviews: It is important to maintain rents at a market level. To achieve a fair balance for both you and your tenants, we aim to review rents at least every 2 years. We will advise you accordingly where a rent amendment is appropriate.

Tenancy Deposit: The Tenancy Deposit can only be for an amount equivalent to 5 weeks' rent and it will be initially taken by Willsons before being transferred to the TDS. At the end, the deposit can only be retained in part or whole to rectify any damage (over and above fair wear and tear) caused by your out-going tenants at the end of the tenancy. It can also be used to recover unpaid rent, in full or in part.

Deposits from tenants must be protected via a registered tenancy deposit scheme with prescribed information given to tenants within the required timescale. Tenancy Deposit Scheme, PO Box 1255, Hemel Hempstead, Hertfordshire, HP1 9GN. Tel: 0845 226 7837. Web: www.tds.gb.com
Email: deposits@tds.gb.com

End of Tenancy: With our fully managed and rent collection services, at the end of the tenancy as Managing Agent, Willsons will inspect the property and 'check out' the out-going tenant. Dependent upon the condition of the property at that time, we will advise both parties on how much of the deposit should be returned to the out-going tenants. Payments will be made within 10 working days of written consent from both parties. In the event of a dispute, Willsons will endeavour to negotiate an agreement between both parties. If unresolved, the dispute is referred to an Independent Case Examiner from The Dispute Service Ltd and Willsons will forward the full deposit (less any amount already agreed) to them. Both parties and Willsons must agree to co-operate with the process and the decision will be final and binding. (The statutory rights of either party to take legal action against the other remains unaffected.)

Spare Key: As Managing Agent, for fully managed properties, Willsons retain a spare key(s) which gives access to the main part of the property for essential use only. Where there is no spare key, you give Willsons the authority to get a key cut at the cost shown in the Service Charges.

Sale to Tenant: If your tenants, introduced by Willsons, purchase the property from you either in their own name(s) or in the name of a nominee, you agree to pay an introduction fee to Willsons of 1% plus VAT of the agreed sale price.

3. REGULATION & COMPLIANCE

Willsons is 'Regulated by the Royal Institution of Chartered Surveyors' (RICS) and is a member of the Associates of Residential Letting Agents (ARLA) as well as a registered member of The Property Ombudsman (TPO).

Willsons operates a complaint handling procedure which is available upon request.

Please detail any potential conflict of interest which may exist between you and Willsons (including an employee) which needs to be disclosed i.e. any business association or family relationship.

4. MONEY LAUNDERING REGULATIONS

Willsons are required to comply with the money laundering regulations and to retain on file verification of the identity of all new landlords. You will need to provide us with sight of your passport or UK Photocard Driving License and bank statement or utility bill to confirm your postal address.

5. Landlord Acceptance of Terms of Business

As managing agent, Willsons require you as the landlord(s) to sign the "Landlords Acceptance of Terms of Business" document and to return to us together with ID and Property information, prior to your property being advertised. This is to ensure you, as the landlord(s) are fully aware of our terms of service, and we have full knowledge of the ownership of the property.

6. TERMINATING THIS CONTRACT

Either party may terminate this agreement at any time by giving the other party one month's written notice.

You, as landlord, agree to pay the following:-

- Any costs incurred by an applicant for your property if the tenant has not taken up residence.
- Plus an administration charge of £150 + VAT (£180 inc VAT) payable to Willsons to cover advertising costs etc.
- Any other fees and expenses that are properly due to Willsons or a contractor in accordance with this agreement.

Cancellation Notice To: Willsons, 16 Algitha Road, Skegness, Lincolnshire, PE25 2AG

I/We hereby give notice that I/we cancel the contract for the supply of agency services that was agreed on in relation to my/our property at:-

..... (enter the property address).

I/We understand that I/we may be liable for the expenses/fees, as outlined within the agreement I/we signed.

Client(s) name(s) and address(es):

.....

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.....

.....

Signed:

Dated:

Signed:

Dated:

Willsons SINCE 1842	Services Provided, for costs see Service Charges where applicable	Fully Managed	Rent Collection	Let Only
Free Letting Advice	Free honest and realistic advice including rent levels and presentation	✓	✓	✓
Ensuring Full Compliance	With regulations	✓	✓	✓
Particulars	Colour particulars including photographs	✓	✓	✓
Promotion & Marketing	Via our Rental List and popular internet websites	✓	✓	✓
'To Let' Board	Eye catching boards	✓	✓	✓
Energy Performance Certificate and Floor Plan.	We can arrange an EPC at a competitive	✓	✓	
Safety Checks	Including Gas Safety Certificate, as required at a competitive cost	✓	✓	
Viewings	Accompanied viewings where required & virtual tours	✓	✓	✓
Tenancy Agreements	Professional Assured Shorthold Tenancy Agreements	✓	✓	✓
Inventory, Photographic Schedule of Condition & Meter Readings	for cost see Service Charges	✓	✓	
Deposit & First Month's Rent	Collected in advance	✓	✓	✓
Regulated by RICS	All clients' money is RICS regulated	✓	✓	✓
Tenancy Deposit Scheme	Register and transfer to TDS or Landlord's scheme	✓	✓	✓
Full Tenant Referencing Service	2 references included, extra at cost see Service Charges	✓	✓	✓
Ongoing Rent Collection	Distribution with comprehensive statements	✓	✓	
Point of Contact	We are the first contact point for tenants	✓		
Repairs & Maintenance	Co-ordinate any necessary repairs or maintenance works	✓		
Periodic Inspections	To assess the condition of the property and report to Landlord	✓		
Ever Changing Legislation	Update Landlord	✓	✓	
Rent Arrears	Communication & Payment Plans	✓	✓	
Service of Notices	Including 'Notice to Quit'	✓		
Spare Key Service	Retention of a spare key for emergency access	✓		
Legislation	Maintain property to comply	✓		
Notifying Anglian Water & ELDC:	Tenancy start and end dates	✓	✓	
Rent Reviews:	Reviewed minimum every 2 years	✓		
Negotiation of Deposit Disputes	Unless TDS dispute service required	✓		
End of Tenancy Check Out		✓		



Willsons – Offices at:

Skegness:	16 Algitha Road, Skegness, Lincolnshire. PE25 2AG	01754 896 100
Alford:	124 West Street, Alford, Lincolnshire. LN13 9DR	01507 621 111

Willsons - Rental Team:

Rental Co-ordinators:

George Hill: g.hill@willsons-property.co.uk
Harriet Harlock-Shaw: h.harlock-shaw@willsons-property.co.uk

Rental Accounts Administrator:

Julie Rock: j.rock@willsons-property.co.uk

LANDLORDS ACCEPTANCE OF TERMS OF ENGAGEMENT



Address of Property to be Let:.....

.....

..... Post Code:.....

Landlords Full Name(s):.....

.....
(Full names must be provided, if the property is owned jointly please provide the names of all owners.)

Correspondence Address:.....

..... Post Code:.....

Telephone:..... Mobile:.....

Email Address for Statements:.....

In order to remit rent/deposit we require your bank details:-

Name & Address of Bank/Building Society:.....

..... Post Code:.....

Name(s) of Account Holder(s):.....

.....

Sort Code: Account Number:.....

Level of Service: Please choose from:-

- ☐ **Fully Managed £300 + VAT (£360 inc VAT) + 12% Commission + VAT (14.4% inc VAT) of rent received**
Plus Inventory see Service Charges

Willsons will find tenants, set up the tenancy, collect rent and will be the tenants' first point of contact for all financial, environmental, maintenance and repair issues (by choosing our fully managed services you give authority for Willsons to retain, on your behalf, £250 plus VAT (£300 inc VAT) for minor repairs).

- ☐ **Rent Collection £350 + VAT (£425 inc VAT) + 8% Commission + VAT (9.6% inc VAT) of rent received**
Plus Inventory see Service Charges

Willsons will find tenants, set up the tenancy, collect the rent and will be the tenants' first point of contact for financial issues. You, the landlord, remain responsible for environmental, maintenance and repair issues.

- ☐ **Let Only £450 + VAT (£540 inc VAT) + Tenancy Deposit Scheme £50 + VAT (£60 inc VAT)**

Willsons will find tenants, set up the tenancy and collect the first month's rent. You, the landlord, remain responsible for the management and in the event of any problems the tenant will contact you directly.

Most of our landlords prefer Willsons' Fully Managed Service for their properties which reduces stress and frees up your valuable time. Willsons always strive to maintain a good relationship between all parties.

Signed Signed

Date Date

Please return to Willsons Office at Skegness.

Service Charges				
EPC & Floorplan		At cost POA		
Tenancy Agreement		£200 + VAT (£240 inc VAT)		
Tenancy Agreement, Amendments and Renewals		£50 + VAT (£60 inc VAT)		
Additional References (each)		£20 + VAT (£24 inc VAT)		
Service of Notice to Quit		£250 + VAT (£300 inc VAT)		
Inspection (dependent upon property size) where not Fully Managed		From £100 + VAT (£120 inc VAT)		
Checkout where not Fully Managed (Providing Willsons supplied the inventory & dependent upon size of property)		From £100 + VAT (£120 inc VAT)		
Professional Advice (per hour)		£100 + VAT (£120 inc VAT)		
CO Alarm (to supply the unit)		£30 + VAT (£36 inc VAT)		
Key Cutting (including spare)		£10 + VAT (£12 inc VAT) (plus key at cost)		
Spare Key retention where not Fully Managed		£25 + VAT (£30 inc VAT) per annum		
Empty Care Service (per visit)		£50 + VAT (£60 inc VAT) + mileage at 50p per mile + VAT		
Photographic Inventory, Schedule of Condition		£125 + VAT (£150 inc VAT) 1 Bed Unfurnished £135 + VAT (£162 inc VAT) 2 Bed “ £145 + VAT (£174 inc VAT) 3 Bed “ £165 + VAT (£198 inc VAT) 4 Bed “ Larger properties and furnished prices on request.		
Let Only Service: Additional Requirements:				£ (With VAT)
1.				
2.				
3.				
4.				
5.				
Details of Services to the property:				
Utility:	Supplier:	Meter Readings:	Meter Location:	Other:
Electric				
Gas				N/A
Oil		(Quantity in Tank)	N/A	N/A
Water	Anglian Water			N/A
Drainage:	Mains		Private	
Other information required:				
Alarm	Alarm Fitted: Yes / No		Alarm Code:	Contractor:
Keys	1 Set <input type="text"/>	2 Set <input type="text"/>	Other <input type="text"/>	
Preferred Contractors if applicable				
To Let Board				
Further Information:				