

MANAGEMENT AGREEMENT

This Agreement is made between the Landlord and Burnett Davies Lettings 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 in respect of :

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STANDARD MANAGEMENT SERVICE

Burnett Davies Lettings 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 rents received and a letting fee will be levied at the outset of each letting for marketing, taking references and arranging the occupation contract.

The Standard Management Service includes:

1. Advising as to the likely rental income.
2. Advertising and generally marketing the Property.
3. Identifying prospective contract holders for the property.
4. Collection of references provided by the applicant for landlord approval. These are not verified by Burnett Davies Lettings. If landlords require full referencing via an external referencing agency to include employer, current/previous landlord and credit checks for CCJS etc, Burnett Davies Lettings can arrange this at an additional cost as set out below. If required, we can request additional security by means of a suitable guarantor.
5. Preparation of the Occupation Contract.
6. Taking a deposit from the Contract Holder to be held by the Tenancy Deposit Custodial Scheme of which Burnett Davies Lettings are members.
7. Collecting the rent and paying over to our Landlord monthly (normally sent within 10 working days of collection) less any fees or expenses due or incurred for the period. Payments will be made by direct bank transfer or cheque together with a detailed rent statement.
8. Arranging with service companies (principally electricity and gas) for meter readings and advising them of the transfer of service contracts to the Contract Holder at the beginning of each Occupation Contract.
9. Regular inspections of the Property. Responsibility for and management of empty property is not included, and will only be carried out by special arrangement.
10. Co-ordination of repair or maintenance up to a limit of £250 including arranging for tradesmen to attend the Property and obtaining estimates where necessary and settling accounts from rents received (subject to there being sufficient funds).
10. Check out at end of Occupation Contract to include dealing with dilapidations and return of bond in accordance with the regulations of the Tenancy Deposit Scheme of which Burnett Davies Lettings are members.

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

Although the aim is to take every care in managing your property, Burnett Davies Lettings cannot accept responsibility for the performance of any Contract Holder referenced through an external referencing agency, false or misleading references provided by the applicant(s), non-payment of rent, damage or other default by the Contract Holder(s), or any delay or difficulties which may occur in the recovery of possession or any associated legal costs incurred in their collection.

SCALE OF FEES

Management Fee	8% of the rent + VAT
Set up fees (per new letting)	£100.00 + VAT (£120.00 inc VAT)
External referencing per applicant/guarantor	At cost, currently £23.00 + VAT (£27.60 inc VAT)
Inventories - Unfurnished Inventories - Unfurnished	£100.00 + VAT (£120.00 inc VAT) £125.00 + VAT (£150.00 inc VAT)
Renewal Fee (for new occupation contract if required)	£100.00 + VAT (£120.00 inc VAT)
Landlord Termination Fee (during occupation contract)	One month's rent + VAT
Additional property visits	£50.00 + VAT (£60.00 inc VAT) per visit
Serving of Notices for Possession	£100.00 + VAT (£120.00 inc VAT) per notice
Duplication & Testing of extra keys if required (per key)	£10.00 + VAT (£12.00 inc VAT)
Abortive Letting Fee:	£350.00 + VAT (£420.00 inc VAT)

DEFINITIONS:

"Landlord" – the owner of the property, the person who grants the lease

"Deposit" – any sum collected from the contract holder at the start of the occupation contract as prescribed in the occupation contract and held by the TDS Custodial Scheme of which Burnett Davies Lettings are members on behalf of the contract holder as security against performance of obligations under the occupation contract, any damage to the property etc and/or non-payment of rent during the occupation period.

"ICE" – Independent Case Examiner of The Dispute Service

GENERAL AUTHORITY:

I/We as the Landlord(s) confirm that I/We are the sole or joint owners of the Property and that I/We have the right to rent out the Property under the terms of the mortgage or head lease. Where necessary, as Landlord I/We confirm that permission to let has been granted by the mortgagee. As Landlord I/We authorise Burnett Davies Lettings to carry out the various duties of property management as detailed under the heading Standard Management Service. As Landlord I/We also agree that Burnett Davies Lettings may take and register deposits on behalf of the Landlord with the TDS Custodial Scheme. It is agreed that Burnett Davies Lettings may retain any interest earned on client's money held.

CLIENT MONIES

Client monies are held in a designated client account at Barclays Bank, Queen Street, Cardiff, sort code 20-18-15, account number 20247804, account name Burnett Davies Lettings Client Account.

INDEMNITY:

As Landlord I/We agree to indemnify Burnett Davies Lettings against any costs, fees, expenses or liabilities incurred or imposed on Burnett Davies Lettings provided that they were incurred on behalf of the Landlord in pursuit of the Agent's normal duties. To assist Burnett Davies Lettings in carrying out their duties effectively, as Landlord I/We agree to respond promptly with instructions where necessary to any correspondence or requests from Burnett Davies Lettings.

REGULATION:

Burnett Davies Lettings is regulated by the RICS in the conduct of our business. Where we provide services to you which are subject to such regulation, additional terms governing the provision of those services may apply. We are also members of ARLA Propertymark, Safe Agent, The Property Ombudsman and the Tenancy Deposit Custodial Scheme and are governed by the schemes rules in relation to the holding of deposits.

MAINTENANCE:

As Landlord(s) I/We warrant that the Property is in good and lettable condition and that the Property, or any beds, sofas and all other soft furnishings conform to the current fire safety regulations. I/We agree to make Burnett Davies Lettings aware of any ongoing maintenance problems. Subject to a retained maximum expenditure limit (UK landlords: £100, Overseas landlords: £200) on any single item or repair, and any other requirements or limits specified by the Landlord, Burnett Davies Lettings will administer any miscellaneous maintenance work that needs to be carried out on the Property up to a maximum of £250. Please note if you have not nominated specific contractors to undertake works Burnett Davies Lettings will instruct a contractor on your behalf. It is agreed that in an emergency or for reasons of contractual necessity where reasonable endeavours have been made to contact the Landlord, Burnett Davies Lettings may exceed the limits specified. Burnett Davies Lettings 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 directly against tradesmen. Payment to contractors will be made from rents received subject to there being sufficient funds. If insufficient funds are held you will be asked for a payment on account.

By law, it is necessary to carry out an annual inspection of any gas appliances. Burnett Davies Lettings will carry these out on the Landlord's behalf at the Landlord's expense and administer the necessary inspection and maintenance records.

OVERSEAS RESIDENTS:

When letting property and collecting rent for landlord's overseas Burnett Davies Lettings are obliged by the Taxes & Management Act 1970 and the Taxation of Income from Land (Non-Residents) Regulations 1995 to deduct tax (at the basic rate) to cover any tax liability, unless Burnett Davies Lettings have been authorized in writing by the Inland Revenue to receive rents gross. Landlords are recommended to apply for a FICO number as soon as possible. Forms are available from Burnett Davies Lettings.

RENT SMART WALES: The Housing (Wales) Act 2014

It is now compulsory that all landlords with properties to let in Wales are registered with Rent Smart Wales. In addition there will be a further requirement where a landlord manages his own property or undertakes any management duties then that landlord must also be licensed. As well as being registered you will need to notify Rent Smart Wales that we are instructed to manage the property as your agent.

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, or let as a house in multiple occupation (HMO) responsibility for payment of council tax then rests with the landlord as the owner of the property.

KEYS:

Each contract holder will be issued with a full set of keys in addition to the keys held by Burnett Davies Lettings. The landlord is responsible for ensuring the Burnett Davies Lettings holds sufficient keys for completion. In the event that Burnett Davies Lettings have to arrange for keys to be cut there will be an additional admin charge over and above the cost of the keys.

GARDENS:

Contract holders will only be expected to maintain gardens provided the necessary tools and equipment have been supplied by the landlord.

SERVICES:

Burnett Davies Lettings will take meter readings whenever possible at each change of occupation in the Property and inform the service companies (electricity and gas) 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 Burnett Davies Lettings to do this on the contract holder's or Landlord's behalf. Regarding mail, Landlords should take care to inform all parties (e.g. Banks, clubs, societies etc.) of their new address or redirect their mail; it is not always possible to rely on contract holders to forward mail.

INVENTORY:

The standard inventory will include all removable items in the Property (except those of negligible value) plus carpets, paint work, wall coverings, curtains, mirrors, sanitary ware and other articles that, in the opinion of Burnett Davies Lettings, need regular checking. Landlords should not leave any articles of sentimental or exceptional value in the Property. The standard inventory service does not include a full schedule of condition (condition, colour & decoration of ceilings, walls, doors and fittings etc.) or photography; this can be prepared at an additional cost. The landlord must carefully check any inventory. The landlord will be deemed to have accepted that the contents of any inventory are a true and correct account of the condition of the property unless Burnett Davies Lettings are formally notified in writing within 7 days of receipt.

The person preparing the inventory is not an expert on fabrics, woods, materials, antiques etc. nor a qualified surveyor. The inventory should not be regarded as an accurate description of each and every piece of furniture or equipment nor as a structural survey report.

LETTING AGREEMENT:

The Standard Management Service includes the preparation of an occupation contract in Burnett Davies Lettings standard form(s) and provision of a copy of this agreement to a designated advisor or building society (if requested). Should the Landlord or his advisors or mortgagees require amendments to the contract or require Burnett Davies Lettings to enter into further work or correspondence, a fee for this extra work may be requested. By entering in to the agreement, it is agreed that Burnett Davies Lettings can sign the occupation contract(s) on behalf of the Landlord. At the expiry of a fixed term contract the contract becomes a periodic occupation contract until you require possession or instruct us to renew the contract for which there is an additional charge.

PROPERTY VISITS:

Under the Standard Management Service, Burnett Davies Lettings will carry out regular visits at approximately six monthly intervals in the first year of each tenancy and annually thereafter. It is not the intention to check every item of the inventory at this stage, the visit is of a limited nature and is concerned with verifying the property is being used in a 'contract holder-like' manner and with the general condition of the Property. This would normally include the main items (carpets, walls, main living areas and gardens.) The reports cannot be relied upon by a third party and are not intended to be any form of survey. The written reports do not place any liability on Burnett Davies Lettings for any defects nor are the reports intended to be an exhaustive list of all repairs/defects at the property. The visits and written reports are not undertaken by a qualified surveyor.

Following the departure of contract holders, a final inspection of the Property is carried out by Burnett Davies Lettings. Testing of all the electrical appliances, heating system and plumbing is not feasible during this inspection and a qualified contractor should be appointed for this purpose should it be required by the Landlord.

VACANT PROPERTIES:

The management services do not include supervising nor do Burnett Davies Lettings accept any responsibility during any periods when your property is vacant. Burnett Davies Lettings can arrange routine inspections at an extra charge.

HOUSE IN MULTIPLE OCCUPATION:

The Landlord confirms that where a property is a House in Multiple Occupation (HMO) it has been registered / licensed as such with the local authority and that the property complies with all relevant regulations.

REFERENCING FEES:

If Landlords wish to have contract holders fully referenced through an external referencing agency costs will apply. See under Scale of Fees for more information.

THE TENANCY DEPOSIT/BONDS:

Upon signing the agreement, Burnett Davies Lettings will take a bond from the contract holder(s) in addition to any rents due. The purpose of the bond is to protect the Landlord against loss of rent or damage to the property during the occupation itself. The bond is held by the TDS Custodial Scheme of which Burnett Davies Lettings are members. The agent shall be entitled to deduct from any deposit that may be paid by a contract holder for the Landlord's property any fees or other monies properly due and payable by the said contract holder to the Agent.

As Agent for the Landlord, Burnett Davies Lettings register the Deposit in accordance with the terms of the Tenancy Deposit Custodial Scheme. Procedure for the end of the occupation contract are noted below in the event of any proposed deductions:-

1. TDS Custodial will invite the landlord or landlord's agent to set out their claim and providing supporting documentation such as the occupation contract, check-in/check-out reports, invoices and quotations. TDS Custodial will invite the contract holder to view the evidence and respond to it, with the opportunity to submit their own supporting documentation. Each party has 14 calendar days to submit their evidence, in turn.
2. After the evidence gathering process is complete, the case will be sent to one of the TDS Custodial independent adjudicators who will reach a binding decision within 28 calendar days. TDS Custodial will repay the deposit as per the adjudicator's decision within a further 10 calendar days.
3. The adjudicator's decision will be based only on the evidence sent to TDS Custodial, there will be no hearing or visit to the property. The adjudicator's decision is final. There is no right of appeal to TDS Custodial or to the government department in charge of the deposit protection schemes.
4. If the other party does not respond within 30 working days, the party requesting repayment must complete a statutory declaration before TDS Custodial can repay the deposit.
5. The statutory declaration is a sworn legal document confirming the other party cannot be contacted, and confirms any claims made on the deposit and the amounts to be repaid to each party.
6. TDS Custodial provides a simple template to use for this process. Further guidance on this is available on the TDS Custodial website: www.custodial.tenancydepositcheme.com or from the TDS Custodial customer contact centre: phone; 0300 037 1001.
7. The requesting party must send the sworn statutory declaration and related documentation to TDS Custodial who will send it to the other party and give them the opportunity to respond within 14 calendar days. If the other party does not respond to the statutory declaration, TDS Custodial will repay the requested amount of the deposit within 10 calendar days.

Burnett Davies Lettings are members of the Tenancy Deposit Custodial Scheme, which is administered by The Dispute Service Ltd, PO Box 541, Amersham, Bucks, HP6 6ZR. Telephone: 0845 226 7837, fax 01494 431 123, email deposits@tds.gb.com

POSSESSION:

Please note that during the fixed term contract there are only very limited grounds to allow you to gain possession of the property even if the tenant is in arrears of rent. Presently the tenant has to be 8 weeks (2 months) in arrears before a notice can be served. This gives the contract holder a further two weeks before an application can be made to Court for possession. If at any time before the court hearing rent is received reducing the arrears to less than 8 weeks (2 months), it is discretionary whether the Court will grant a possession order on this ground. If a possession order is awarded and the contract holder fails to vacate possession may only be gained by instructing a Court Bailiff. Please note the date for a court hearing may be several weeks or months after the application has been made.

In the case of a periodic contract (where the contract holder is holding over after the original fixed term) a minimum of six months notice to expire on the anniversary of the term may be served to obtain possession. If the contract holder fails to vacate on expiry of the notice then an application will need to be made to the courts for a possession order.

If for any reason you require possession of the property you should notify Burnett Davies Lettings immediately in writing stating the date possession is required. Adequate notice should be provided to enable us to serve the appropriate notice on the tenant.

SAFETY REGULATIONS:

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

- Furniture and Furnishings (Fire)(Safety) Regulations 1988
- Gas Safety (Installation and Use) Regulations 1998
- Electrical Equipment (Safety) Regulations 1994
- The General Product Safety Regulations 1994
- The Gas Cooking (Safety) Regulations 1989
- The Plugs and Sockets (Safety) Regulations 1994

It is agreed that the Landlord shall ensure that the Property is made available for letting in a safe condition and in compliance with above regulations. The Landlord is to ensure that an EICR is provided and these must be carried out every five years. The Landlord is to ensure that all electrical equipment is checked at the beginning of the occupation contract and every year thereafter. The Landlord agrees to indemnify Burnett Davies Lettings against any expenses or penalties that may be suffered as a result of non-compliance of the Property to fire and appliance safety standards.

INSTRUCTIONS:

It is agreed that all instructions to Burnett Davies Lettings from the Landlord regarding termination notices, proceedings, major repairs, payment details or other significant details regarding the letting be confirmed to Burnett Davies Lettings in writing. Burnett Davies Lettings cannot be held responsible for loss arising from actioning verbal instructions.

RENEWALS:

Where the tenancy is renewed or extended to the same tenant (or any person associated with the tenant) originally introduced by Burnett Davies Lettings, a renewal fee shall be payable by the Landlord for renewal in the sum of £100.00 + VAT (£120.00 inc VAT). Burnett Davies Lettings shall prepare the tenancy agreement, if required, for the new or extended tenancy.

STAMP DUTY LAND TAX:

Stamp duty is payable by on tenancy agreements where the value of the tenancy is over £125000. The liability for payment of Stamp duty and stamping of documents is the liability of the landlord where applicable.

INSURANCE:

The Landlord shall be solely responsible for the Property being adequately insured and the insurers being notified of the intention to let. The Landlord is also solely responsible for notifying the insurers of the periods when the property is vacant and for dealing with any claims which may arise.

HOUSING BENEFIT / UNIVERSAL CREDIT:

The Landlord undertakes to reimburse Burnett Davies Lettings for any claims arising from over payment 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 Burnett Davies Lettings continues to be engaged to let or manage the Property under the Agreement.

LEGAL PROCEEDINGS:

Any delays of payment or other defaults will be acted on by Burnett Davies Lettings in the first instance. Where Burnett Davies Lettings 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 will then be appointed and instructed by the Landlord or Burnett Davies Lettings with the Landlords authority (except where Burnett Davies Lettings are unable to contact the Landlord, in which case Burnett Davies Lettings is authorized to instruct a solicitor on the Landlord's behalf). The Landlord is in any event responsible for payment of all legal fees and any related costs.

STORAGE OF YOUR FILES:

Files and other papers relating to the landlords matters will be stored for such time, and by what means, Burnett Davies Lettings judge reasonable or for such time as they are required by law to do so, after which Burnett Davies Lettings will dispose of them. A charge will be made should information be required by the landlord from archived storage.

DURATION

The length of the initial agreement is twelve months after which the agreement will roll over automatically on an annual basis until terminated by way of three months' written notice from either party.

TERMINATION:

This agreement may be terminated by either party by way of three months' written notice. If this occurs the Landlord will pay a fee equivalent to one month's rent + VAT where the Landlord continues letting to tenants introduced by Burnett Davies Lettings following the termination of this agreement. If as Agents, Burnett Davies Lettings introduce a tenant who has provided satisfactory references and is ready, willing and able to proceed but the Landlord withdraws the property or declines to accept the tenant, the Landlord will be liable for an abortive fee of £350.00 + VAT (£420.00 inc VAT).

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.

COMPLAINTS:

In the event that you need to make a complaint about the service that Burnett Davies Lettings have offered or about any member of staff our complaints handling procedure is as follows: Your complaint must be made in writing and should be addressed to Martyn Burnett and sent to our Barry Office at 17 High Street, Barry, CF62 7EA Tel No: (01446) 737255, Email: martyn@burnettdavieslettings.co.uk

The complainant must include a written summary of the nature of the complaint. On receipt of the formal complaint you will receive a written response to the complaint within 14 working days. In the event that the above procedure fails to deal with the issues satisfactory then you have the right to refer the matter to an independent redress scheme. Details as follows:

Consumer redress scheme - The Property Ombudsman Services: Property, Milford House, 43-45 Milford Street, Salisbury, Wiltshire SP1 2BP. Tel: 01722 333 306. Email: admin@tpos.co.uk.

Business redress scheme - RICS Dispute Resolution Service, Surveyor court, Westwood Way, Coventry, CV4 8JE. Tel: 020 7334 3806. Email: drs@rics.org. Burnett Davies Lettings are members of the R.I.C.S, A.R.LA, N.A.L.S, Safe Agent, ICO Data Protection, Rent Smart Wales, The TDS and The Property Ombudsman.

CANCELLATION

You have the right to cancel this contract within a 14-day cooling off period. The cancellation period will expire after 14 days from the day this contract was agreed and management services will then commence until further notice from either party. To exercise the right to cancel, you must inform us of your decision to cancel this contract by sending us a clear statement in writing to Burnett Davies Lettings 17 High Street Barry Vale of Glamorgan CF62 7EA or emailing us at enquiries@burnettdavieslettings.co.uk .

ACCEPTANCE:

I/we confirm that we have read and accept the terms of this Agreement and hereby instruct Burnett Davies Lettings to undertake the letting and management of:

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Signed: Dated:

Signed: Dated:
(IF PROPERTY IS JOINTLY OWNED ALL PARTIES SHOULD SIGN)

Signed on behalf of Burnett Davies Lettings:Dated: