

edenvale-uk

property management

2nd Floor, John Swift Building, 19 Mason Street, Manchester, M4 5FT

Tel: 0161 833 3820

Fax: 0161 833 2400

Email: info@edenvale-uk.com

TERMS OF BUSINESS

I hereby appoint Edenvale Property Management (UK) Limited ("Edenvale-UK") as my Letting Agent until further notice from me in writing. I confirm that I am the Owner of the Property mentioned below or have the full authority of the Owner to act on his behalf. I undertake to ratify whatever Edenvale-UK shall lawfully do by virtue of their appointment as Letting Agent and to indemnify them against all costs and expenses properly incurred by them. I agree to pay fees in accordance with the terms and conditions specified overleaf or as notified to me in writing. Our appointment is subject to three (3) months' notice to cease management by either side

Signed

Date

Address of property to be let

.....
.....

Does the property have parking

YES/NO

Full Names(s) of Owner(s)

.....

Owner's address:

.....
.....

Telephone No

Mobile

Fax

Email

Are the Owners proposing to live outside the UK during the Term of the Tenancy Yes / No

Date of expiry of current Gas Safety Regulations Annual Report
(please supply a copy of the Gas Safety Certificate)

If no report is currently valid Edenvale-UK will arrange for an inspection to be carried out as soon as possible, the cost being deducted from rental income.

Bank Details for the Owner

Bank

Address

Account No:

Sort Code

Account Name

Service Required **Letting Only/Rent Collection/Full Management**

Statements to be sent **By Post/By E-Mail**

Statements required **Monthly/Quarterly/ As Rent is Paid**

We are grateful to you for instructing us to manage your property and set out below details of the Services we will provide and the fees we will charge in respect of them.

1. MANAGEMENT FEES

1.1 Upon the signing of a Tenancy Agreement with a Tenant the Owner will pay to Edenvale-UK a letting fee in the sum of £450.00 plus VAT. Thereafter, Edenvale-UK will take a management fee equal to 10% plus VAT of the rents collected on a monthly basis.

Or if furnishings service used

1.1 Upon the signing of a Tenancy Agreement with a Tenant the Owner will pay to Edenvale-UK a letting fee in the sum of £250.00 plus VAT. Thereafter, Edenvale-UK will take a management fee equal to 10% plus VAT of the rents collected on a monthly basis.

Our Management Fee is payable as the rent is paid. Our Fee is subject to a minimum fee of £50 per month and our appointment is subject to three (3) months' notice to cease management by either side.

2. COLLECTION OF KEYS AND SNAGGING OF PROPERTY

Edenvale-UK will arrange for a member of staff, upon completion of the property, to attend at the Development for the hand-over of the apartment from the Developer, collect the keys and complete a snagging list which, in the case, of any works to be done to the apartment, will arrange for the same to be rectified and will report accordingly to the owner.

3. COLLECTION OF MANAGEMENT FEES

In all cases Edenvale-UK must be instructed to collect the rent and our fees will be deducted from the rent paid in accordance with (1) above.

Edenvale-UK will make reasonable steps to ensure that rent is paid on time. In the event of persistent late or non-payment Edenvale-UK will notify you within fourteen (14) days of the non-payment by e-mail, telephone, fax or post and offer advice towards legal steps for the recovery of any rent outstanding and, in extreme cases, for repossession of the Property.

Edenvale-UK will use reasonable endeavours to transfer any monies properly due to you to your Bank Account within fourteen (14) working days of the receipt by them of cleared funds in respect of rent or any other monies received. Banking systems in the UK are such that if payment is made to us by cheque in respect of the rent then we have to allow up to twelve (12) working days for such cheques to clear.

4. STATEMENTS

Edenvale-UK will provide you with a Statement of Account once the financial arrangements have been finalised at the commencement of the Tenancy and monthly thereafter. This statement will be sent either by e-mail or by post to an address in the UK.

If you require a Statement to be sent to you by post to an address outside the UK then we will be pleased to do so but at a fee of £10 per statement.

5. SERVICES

The following services will also be provided by Edenvale-UK in connection with the Letting Service.

- 5.1 Obtaining references on prospective company and private tenants. On signing the Tenancy Agreement the Landlord or the Landlord's Agent will be deemed to have seen and accepted any such references collected by Edenvale-UK on the Landlord's behalf. Edenvale-UK's letting fee does not include any charges for Company Searches which can be carried out at the specific written request of the Landlord who will undertake to bear the costs thereof together with an Administration Fee of £10 per item.
- 5.2 Obtaining and holding a deposit, the exact amount of which is to be agreed at the time of drafting the Tenancy Agreement or obtaining a Letter of Guarantee from a reputable Tenant Company. The Deposit will be held by Edenvale-UK as Stakeholder against unpaid rent or bills, dilapidations and any other costs or losses incurred as a result of any breach whatsoever by the Tenant of the terms of the Tenancy Agreement for which the Tenant is liable. Neither the Tenant nor the Landlord will be entitled to any interest which accrues on the deposit. If the Landlord is managing the property him/herself, at the end of the Tenancy the Landlord should, within seven days notify Edenvale-UK of the total amount of dilapidations that have been agreed with the Tenant, providing written proof of the Tenant's agreement thereto. Should the Landlord fail to provide such written agreement then Edenvale-UK will commence negotiations between the two parties in an attempt to reach an Agreement as quickly as possible for which there will be a charge of £180 payable by the Landlord unless otherwise mutually agreed in writing with the Tenant. Edenvale-UK accepts no liability or responsibility for disputes arising out of the repayment of the deposit to the Tenant and hereby gives notice that repayment will be made 28 days after the end of the Tenancy unless written instructions are received to the contrary.
- 5.3 Arranging the booking of the Inventory for the Property and check-in of the Tenant. If the property is not furnished by Edenvale-UK, the cost of preparing an Inventory or the cost of updating and/ or re-typing an old one will be met by the Landlord. If none exists or is not provided to Edenvale-UK two (2) working days before the commencement of the Tenancy then unless we receive a written request to the contrary from the Landlord then Edenvale-UK will automatically arrange for a new Inventory to be prepared on the Landlord's behalf. Unless specifically requested otherwise the Landlord will be responsible for the costs of the preparation of the Inventory and the Check-in and the Tenant for the costs of the Check-out. Charges do vary depending on the size of the property and the contents but an indication of costs will be given if requested. Edenvale-UK will instruct experienced Inventory Clerks but we cannot be held liable for any omissions or errors on their part. Edenvale-UK will e-mail a copy of the Inventory to the Landlord once it has been completed and also e-mail a copy of the check-in or any other related report. Should paper copies be required then a charge of £5 will be made for each document sent to an address in the UK or £20 to an address outside the UK.
- 5.4 Arranging and preparing a Tenancy Agreement. Unless specifically instructed otherwise Edenvale-UK will draw up a Tenancy Agreement for signature by both the Landlord and the Tenant.

- 5.5 If, having instructed Edenvale-UK either verbally or in writing to proceed with the arrangement of a Tenancy a Landlord subsequently decides not to proceed with that Tenancy then, unless the references obtained on the Tenant are unsatisfactory, the Landlord will be responsible for all fees that would have been due had the Tenancy proceeded.
- 5.6 **Transfer of Utility Accounts.** On Managed Properties Edenvale-UK require that the Landlord at the outset provide details of all current suppliers and the location of any meters. Edenvale-UK will then, on the Landlord's behalf arrange for all such utilities to be transferred into the Tenant's name at the commencement of any Tenancy and back in to the Landlord's name at the end of the Term or to another Tenant whichever is appropriate.
- 5.7 **Keys.** Edenvale-UK will require that the Landlord provide one full set of keys for each Tenant named on the Tenancy Agreement (subject to a minimum of three sets) for handing over at the commencement of the first Tenancy. Where necessary Edenvale-UK will arrange for additional sets to be cut at the Landlord's expense together with an Administration charge of £20 to cover the cost of taking the keys to a reputable key cutting establishment. Edenvale-UK will hold an additional set of keys at their Management Services Office, such keys only to be handed out to authorised individuals at the written request of the Landlord and/ or the Tenant or where deemed necessary by Edenvale-UK within the course of their responsibilities under this Agreement. Edenvale-UK accepts no liability for the loss of keys or any consequence thereof.
- 5.8 **Additional Works.** Where Edenvale-UK are managing the Property on the Landlord's behalf and are required to carry out duties above and beyond those specified below (such as accompanying Surveyors) then Edenvale-UK will charge the Landlord a Fee equivalent to £40 per hour or part thereof depending on the time taken, subject to a minimum charge of £60 per event.

6. SHORT LETS

Where the initial term of the Tenancy or Letting is for five (5) months or less our Management Fee will be charged at the rate of £150 plus VAT for each Tenancy Agreement and therefore a monthly management fee of 10% (8% if furnishings services used) plus VAT.

7. OVERSEAS LANDLORDS – FINANCE ACT 1995

Where a Landlord may be considered non-resident for tax purposes he has to pay United Kingdom income tax on any rents received from Property in the UK under the Finance Act 1995. Unless an "Exemption Certificate" is received from the Inland Revenue specifically permitting Edenvale-UK to pay rental monies to the Landlord without the deduction of tax Edenvale-UK is obliged by Law to deduct tax at the appropriate rate as directed by HM Treasury from time to time from all monies received and account to the Inland Revenue for these monies on a quarterly basis. Landlords are responsible for obtaining their own "Exemption Certificate" and should note that any such Certificate received is non-transferable. It should also be noted that no interest is payable to Landlords on tax retentions made by Edenvale-UK. Where a Landlord has not provided Edenvale-UK with an Exemption Certificate from the Inland Revenue then a charge of £50 will be made for the work carried out in submitting the quarterly returns to the Revenue and a charge of £100 will be made for preparing the Annual returns and final certificates. Edenvale-UK is required by law to consider any individual Landlord who they believe or have reason to believe to be living outside the UK as non resident and make these deductions. Whilst we will always inform any Landlord of our decision, such a decision must be final and Edenvale-UK accept no liability for any loss of income or any other monetary amount as a result of adhering to the regulations. Please note that where a Landlord is collecting rent directly and is non-resident for Tax purposes then the Tenant becomes liable for the collection of Tax due and Edenvale-UK are obliged to advise him accordingly.

8. SALE OF ROPERTY TO A TENANT OR FORMER TENANT

In the event at any time of any Tenant, occupant or other connected body or party entering into an agreement with the owner/ Landlord of the Property to purchase the property a commission of 1% of the purchase price becomes payable by the Owner/ Landlord to Edenvale-UK when Contracts for the sale of the Property are exchanged or the contract for sale is completed whichever is the sooner.

9. SALE OF THE PROPERTY BY THE LANDLORD

Where a Property occupied by a Tenant first introduced by Edenvale-UK is sold, transferred or otherwise dealt with, Edenvale-UK's Letting Fee and all other Fees remain the responsibility of the original Landlord for the duration of the Tenancy and any renewal or extension thereof, irrespective of whether the negotiations were carried out by Edenvale-UK. Landlords are advised in such circumstances to arrange through their Solicitors for the prospective purchaser to enter into an agreement with Edenvale-UK in respect of all Fees due.

10. PERMISSION TO LET

Edenvale-UK requires that the Landlord obtain permission to let prior to any letting from either, if necessary, their Landlord in the case of leasehold property and/ or their Mortgage provider. The Landlord must also notify their Insurance Company of his intention to let and obtain their agreement to extend the insurance cover on the property and its contents. If the Landlord is a joint owner then he must ensure that all the other joint owners are named on the Tenancy Agreement and confirm that he is authorised to give instructions on their behalf. Edenvale-UK hereby gives notice that should the Landlord fail to obtain any necessary such permissions then in the event that the Tenancy is determined early or fails to commence then all fees due to Edenvale-UK must be paid.

11. INTEREST AND COMMISSION

Any commissions, interest or other income earned by Edenvale-UK as a result of referrals to Contractors/Inventory Clerks while carrying out our duties as agent for the Letting and/ or Management of the property will be retained by Edenvale-UK.

12. OUTSTANDING FEES

The Landlord agrees that where any fees or other charges properly due to Edenvale-UK remain outstanding for more than fourteen (14) days then Edenvale-UK may use any sums obtained or held on his behalf including rental payments on this or any other property on which Edenvale-UK is instructed to pay the outstanding sums.

13. LIABILITY

Edenvale-UK will aim to carry out all their services with reasonable care and skill; however, we do not guarantee the suitability of Tenants, timely rental payments or vacant possession at the end of the Term and cannot be held liable by the Landlord for such events. Similarly, Edenvale-UK will take care in instructing Contractors/ Inventory Clerks and other suppliers but cannot either guarantee or be held liable for any work undertaken by them.

14. LEGAL PROCEEDINGS

Edenvale-UK is not responsible for any legal action for the recovery of rent and/ or repossession of the Property. All costs and other charges relating thereto are the sole responsibility of the Landlord. Applications for market rent or appearances before any Court or Tribunal will be by arrangement only and our fee for any such appearance will be £300 per day or part thereof per Edenvale-UK employee is involved. We regret that Edenvale-UK cannot accept service of any legal proceedings on the Landlord's behalf.

15. INDEMNITY

The Landlord agrees to indemnify Edenvale-UK as agents against any costs, expenses or liabilities whatsoever incurred or imposed on us provided that they were incurred on his behalf in pursuit of Edenvale-UK's duties.

In the event of Edenvale-UK being unable to contact the Landlord despite having made reasonable efforts so to do then the Landlord undertakes to indemnify Edenvale-UK against any costs or fees involved in carrying out reasonable actions on the Landlord's behalf.

16. AMENDMENTS/VARIATIONS

This agreement represents the entire Agreement between the Landlord and Edenvale-UK and

supersedes all prior agreements, understandings, representations or other communications between the parties hereto. No amendment or variation to this Agreement will have any contractual effect unless agreed by a Director of Edenvale-UK. Our appointment is subject to three (3) months' notice to cease management by either side in Edenvale-UK in writing.

Edenvale-UK reserves the right to change the schedule of fees and terms of business at any time. This agreement shall be subject to English Law and the High Court and County Courts of England and Wales or their successors shall have jurisdiction over any action or proceedings in respect of this Agreement.

17. VAT

All charges and fees made by Edenvale-UK under the terms of this Agreement are subject to the addition of VAT at the current prevailing rate.

18. INTEREST

All fees and other charges made by Edenvale-UK become due and payable on demand. Edenvale-UK reserves the right to charge interest on any amount outstanding twenty eight (28) days after such fees are first demanded. The rate of interest will be 2% per annum above Bank of Scotland's base rate and chargeable from the date upon which the Fee was due.

19. THE GAS SAFETY (INSTALLATION & USE) REGULATIONS 1998

The Landlord is fully responsible for making sure that all gas installations and appliances are maintained in good order and are checked for safety every year by a CORGI registered engineer. The Landlord MUST provide Edenvale-UK with a copy of a current certificate before the commencement of any Tenancy. If Edenvale-UK are not provided with such a current valid certificate prior to the commencement of the Tenancy and annually thereafter then we reserve the right to call in a suitable qualified CORGI engineer to carry out an inspection of all Gas installations and appliances and carry out any remedial works where necessary. The cost of any such inspection and works will, together with our administration charge of £40 is debited to the Landlord's account. Please note that it is a criminal offence to allow a Tenant into a Property on which a current CORGI Gas Certificate is not available and Edenvale-UK reserves the right to act accordingly, if necessary preventing the Tenancy commencing until such time as a valid Certificate is to hand.

20. THE FIRE AND FURNISHINGS (FIRE) (SAFETY) REGULATIONS 1998 THE FIRE AND FURNISHINGS (FIRE) (SAFETY) (AMENDMENT) REGULATIONS 1993 THE ELECTRICAL EQUIPMENT (SAFETY) REGULATIONS 1994

The Landlord hereby warrants that he is fully aware of the terms and conditions of these Regulations and in signing this Agreement declares that all the Furnishings presently in the Property or to be included in the Property together with all the Electrical installations and Electrical Equipment in the Property or to be included in the Property now or at any time in the future fully comply with these Regulations.

The Landlord undertakes to keep Edenvale-UK fully and effectively indemnified against any claim, liability, demand, cost expense or prosecution which may arise by failure of the Landlord to comply fully with the Terms of these regulations.

21. REFURBISHING AND INTERIOR DESIGN SERVICE

We will be pleased to assist you in redecorating, refurbishing or refurnishing the Property. We have access to many suppliers and can often because of our buying power obtain favourable prices on goods and services. Well presented Properties usually let both faster and at higher rents than those in poor condition. Please contact Alison O'Connor for more information on these services.

22. CONTRACT

In the event of our letting the Property on verbal instructions we will withhold the balance of any monies due to you until you have returned to us a copy of our Terms of Business duly signed and dated.

23. INSURANCE

It is your responsibility to make certain that the Property and its fixtures, fittings and contents are at all times properly and adequately insured. The terms of the Tenancy Agreement require this. We can, on request, assist in arranging Insurance cover for you and we will contact you further about this once we have identified a suitable Tenant. Any assistance we give will rely totally on valuations and specifications as to the details of the cover supplied by you. We are not insurance brokers and have no expertise in this area, but we do deal with bodies specialising in such cover for rented or tenanted properties. We therefore give no warranties whatsoever as to the adequacy or suitability of any cover we may assist you in obtaining. The responsibility for ensuring that the cover is adequate and suitable lies exclusively with you. You should check, before entering into any letting of the Property that any insurance in place is not affected by the fact that the Property is either unoccupied or tenanted. We can make any insurance claim for you where we manage the property on your behalf at a fee of £40 per hour subject to a minimum fee of £100. Please note that in all cases where we are not provided with proof of insurance cover then we will, at your expense, arrange for suitable cover to be made available in line with the terms of the Tenancy Agreement. We do not accept any liability in respect of the amount of cover provided.

24. MANAGEMENT SERVICES

- 24.1 Where instructed by the Landlord and provided we have sufficient funds on your account to do so we will, on your behalf, pay any ground rents, service charges, water rates, insurance premiums and any other regular outgoings out of the rental monies as and when demands are received. Although we will make every effort to resolve obvious discrepancies we wish to make it clear that we are entitled to accept and pay without query demands and accounts which we believe to be in order. In particular we cannot accept responsibility for the adequacy of any insurance cover or the verification of service or maintenance charge demands.
- 24.2 Edenvale-UK will deal with matters of redecoration, renewal, replacement or repair with the Owner's verbal authority (save in the case of emergency and/or when it is impractical to do so). Following the Owner's written approval of written estimates, Edenvale-UK will organize and inspect the said works. Any work below the value of £100.00 will be carried out by Edenvale-UK without requiring the Owner's authority and then deducted from any rental held or due within the course of the following 7 days. We cannot undertake to meet any outgoings beyond funds held by ourselves on your behalf and in which event, we would require payment from the Owner within the course of 7 days.
- 24.3 We will make two (2) inspections each year of the Property as part of our Management Service. It must be understood that these inspections can only provide a superficial examination of the Property and are not intended to be either a structural survey or an Inventory Check. Edenvale-UK cannot be held responsible for any hidden or latent defects that arise.
- 24.4 During void periods (which our Letting Team will make every effort to minimise) Edenvale-UK will continue to manage the Property during this period but cannot be held liable for any loss and/ or damage arising from fire, flood, theft or any other cause. Should the Landlord instruct us so to do in writing then we will arrange for a plumber or similar contractor to visit the Property and turn off the water, gas or other supplies at the Landlord's expense and to be switched on again before the commencement of any Tenancy. Please note that we advise that you should contact your Insurance Company should the Property be likely to be empty for more than thirty (30) days.
- 24.5 Edenvale-UK will liaise on your written instructions with your Accountants, Solicitors, Superior Landlords, Managing Agents, Mortgagors and Insurance Companies.

DATED this day of 2006

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Signed by or on behalf of the **THE OWNER**

.....
Signed by or on behalf of the **EDENVALE PROPERTY MANAGEMENT (UK) LIMITED**